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THE FINANCIAL POST

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Be Sure to Read

Who Will Run Utilities? 4
Wheat's on the Move 15
Gold Hunt Goes On 30
In Your Opinion 8

The Nation's Business

Propose Definite Steps Toward Freeing Trade

In the prepared declaration read for him this week by Brooke Claxton at the National Foreign Trade Convention in New York, Prime Minister King has made a most important statement of some conditions which he believes are necessary for the development of world trade. His declaration follows identically the line of argument put before the Convention by Mr. Claxton himself earlier in the week.

In brief Mr. King's points are as follows:

1. Security for international relationships, achieved, perhaps, through the sort of machinery which exists between Canada and the U. S. A., and between the Commonwealth membership, so as to prevent nations cutting themselves off from trade as a defense in the event of attack.
2. Commercial stability and the "progressive removal of barriers of trade" operative through (a) a ceiling on tariffs and trade restrictions, and (b) an agreement among nations for the progressive annual reduction of tariffs until agreed minimums were reached.
3. Functional machinery to carry on multilateral arrangements between nations including maintenance of international monetary stability and provision of credit.
4. Domestic policies to provide maximum employment and production and prevent inflation.

Since the day of the Atlantic Charter, there have been generalizations about the need for a commonsense postwar international trade policy. On several occasions Mr. King and Mr. Ilsley have intimated that something must be done to clear away any undesirable tariff and other trade impedimenta and there has been a little progress made toward creating international monetary collaboration. But in their New York declarations this week Mr. King and Mr. Claxton have moved definitely forward.

Even if the plan were to stir no responsive note at official or political Washington, it should appeal to the man-in-the-street as sensible and constructive. Until common people (whether they live in Spokane or Halifax) believe that such points of view are sound and sensible, there is little hope for translating the bold, brave words of the Atlantic Charter into workable international laws and regulations.

* * *

MUST START AT HOME

Like many other things, sound and constructive trade proposals must start at home.

Mr. King and Mr. Claxton, if they will look around the East and West Blocks of their own capital, will find many important and urgent things they can and must turn their hands to without delay, if Canada is to be prepared for postwar trade opportunities.

There is the matter of the Joint Economic Committee established by Canada and the United States, set up originally to act as an international clearing house on matters of common interest between the two countries. After a brief and ineffective life, this committee has almost passed out of existence.

At a time when studies and discussions of the utmost importance affecting the postwar economies of the two nations might be undertaken and prosecuted, this piece of machinery stands idle and impotent. It is doubtful if it could point to any useful projects or achievements in recent months. Either it should fold up or be put to work, paving the way for the sort of trade world which Mr. King had Mr. Claxton talk about at New York.

* * *

REOPEN TARIFF OFFICE

Other important and necessary trade-wise moves which cry out for attention have been discussed in these columns in recent weeks.

There is the much-needed overhauling of the Trade Commissioner Service which Mr. King talked about rather vaguely in Parliament earlier this year, and which awaits expeditious and clear-sighted action.

Another important move suggested is the transfer of Canada's No. 1 tariff expert, Hector MacKinnon, back to his peacetime job as Canada's Tariff Commissioner.

Important as may be his present duties as chairman of the Commodity Prices Stabilization Corporation, these are dwarfed alongside the job of reviving the studies and information which made our tariff office, some four or five years back, one of the most competent of its kind in the world.

Since war broke out, the door has been locked in the Commissioner's office and almost all the staff dispersed to war jobs. Meanwhile, scores of businessmen are coming month by month to Ottawa, seeking counsel and advice on trade and tariff matters. They see the prospect of having to find long-term jobs for hundreds and thousands of men and women in the years that lie ahead, and they find no one at Ottawa to help them in their search for factual and other official information about tariff matters.

* * *

FACING BACON REALITIES

Assuming that the British consumer will suffer no serious hardship, reduction of our next bacon quota to the United Kingdom and extending the contract from one to two years appears to be a practical move. It brings our production objective much more in line with reality, and because it should check any tendency to dangerous over-expansion and may improve the quality of the product exported, it should materially strengthen our postwar position on the vital British market.

The move, however, comes as a distinct shock to the general public, totally unprepared for such a drastic reduction in an important war food for Britain. More frequent and frank reports on the progress of filling such contracts would have been advisable and assurance should be forthcoming promptly that politics were not involved either with the timing or the full scope of the recent announcement.

Contrary to a somewhat popular notion, our potential production of bacon or any other livestock product is not unlimited and neither can it be stepped up or down over night. At present, all resources of feed and labor are being strained to come close to filling the export contract of 675 million pounds a year. Next year, with little expectation of any improvement in labor and with feed supplies not nearly as abundant, we would only have been fooling ourselves and disappointing our customers by promising to maintain current volume.

The bulk of the bacon produced for this year's export comes from last season's record grain harvest. The next quota must come largely out of the sharply reduced grain yields of this fall.

To meet the present goal, and in the major interest of feeding Britain during a crisis, practically everything in the shape of bacon had to be exported but a substantial proportion of this was not of a quality that will enhance Canada's reputation on the British market. As pointed out by J. S. McLean, president of Canada Packers, in the last annual report of that company: "Twenty years have been spent in bringing home to the Canadian farmer the necessity for lean hogs and sizeable weights. The present request for heavier bacon is bound to blur the farmer's mental picture of the proper type of bacon hog. It is much easier to break down standards than to restore them."

Now assuming that Britain's critical period has passed we are going to have a chance to rebuild quality. From the standpoint of maintaining postwar trade it will be better to export less but better bacon and it is to be hoped that the authorities will keep this point in mind when shipments under the new reduced quota start forward next month.

WPTB Pares Many Uses Paper Goods

Sales of Cardboard Cartons Frozen to Ease Looming Crisis in Pulp Supply

By STAFF WRITER

OTTAWA.—Drastic, nation-wide conservation orders to reduce consumption of paper and paper products both here and in the United States, are now in the making, The Post is informed.

In Canada an order has been issued freezing all sales and orders for cardboard cartons until Nov. 30. This is to give WPTB an opportunity to set up a permit control system which will drastically limit the uses and available supply for civilian use.

Other orders expected very shortly will place all users of commercial grades of paper under a permit system and will require reduction in usage by probably 25%.

Restrict Calendars, Blotters

Use of certain items such as multiple-page calendars; blotters and possibly certain other types of advertising promotion piece likely will be restricted. Over and above these several restrictions it will be up to individual users of commercial grades of papers of all kinds to work out their own paper-saving programs.

By way of example, WPTB has itself this week inaugurated a paper-saving campaign designed to reduce consumption of commercial grades of paper by about 50%.

Such a saving, officials state, will mean more than a 50% cut in most types of paper since 37% of the Board's paper consumption goes into ration books and forms on which only a relatively small saving is possible.

The Board has already issued a directive to its offices and various

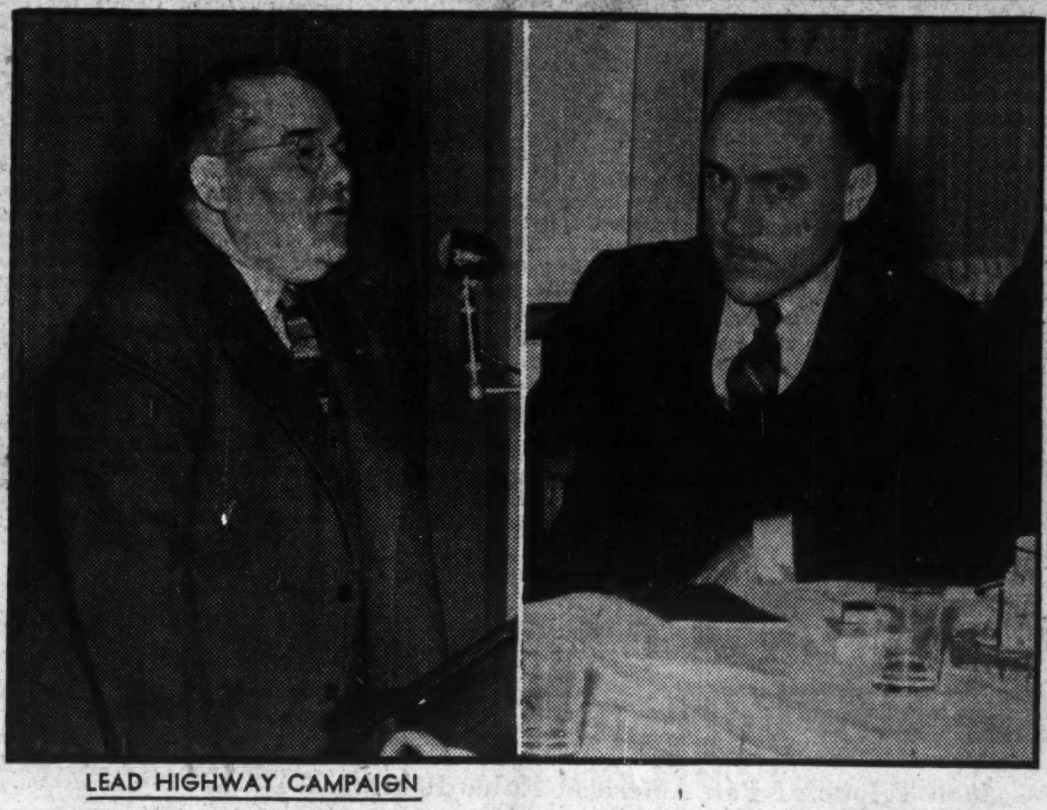
(Continued on page 3)

WPTB Nips Plan To Hedge Press

Delay in announcing a "B" rating to pulpwood cutting is said to stem from the fact that it would have been hedged around by certain stipulations requiring pulp users—such as newspapers—to eliminate certain "nonessentials" or frills. Comic strips, The Financial Post was informed, might have been banned.

WPTB officials are said to have held out very strongly against any attempt to dictate to publishers or other users the disposal of tonnage which they procured. Such restrictions, it was argued, would border closely on infringement of the freedom of the press. The WPTB averred that if cuts were to be made, they must be overall cuts applicable to all users irrespective of what was being published.

The WPTB view is said to have prevailed and the "B" priority granted without any "usage" strings attached.



LEAD HIGHWAY CAMPAIGN

These men are busy with a move on the part of commercial bus and truck operators to line up automotive, oil, rubber and other industries in a Canadian Council of Highway Users, a body that will aim at improving the competitive position of highway transportation in the changing economy.

Pictured are Raymond G. Perry, Montreal (at microphone), newly elected president of Dominion Motor Coach Assoc., and Morley J. Pape, Toronto, who heads Canadian Automotive Transportation Association for 1943-4.

LONDON CALLING by Adelphi

Bombs, Postwar Aviation Discussed But Coal Still Big Political Issue

Cabled from London to The Financial Post

LONDON.—In recent nights London has had brief visitations from the Luftwaffe. The guns have gone into action and for a short spell have almost achieved the splendid noise of the bad old days.

No one takes the bombs very seriously now but there is a wholesome respect for the metal which the guns belch into the sky. The law of gravity still prevails and what goes up must come down. Unfortunately that law applies equally to German bombs and there has been the inevitable horror of violent death and ruined homes but, compared to the destruction by the RAF in Germany, it is negligible.

Meantime Hitler is emulating Dickens' fat boy, trying to make our flesh creep with stories of new bombs of incredible explosive power being guided by radio to their target. He may have some such thing but Hitler forgets that, not only are British scientists constantly at work on new developments of their own, but are equally assiduous in preparing an antidote to what may come from the German laboratories. Another thing that the Fuehrer would like to forget is that he drove out his Jewish scientists and placed them at our disposal. That was the first of his major blunders.

* * *

Beaverbrook Appears

Lord Beaverbrook made his first appearance as Lord Privy Seal in the debate on civil aviation in the House of Lords. For the last twelve months he had spoken from the opposition bench and had not hesitated to give ministers of the crown a rough time. Now he spoke from the government bench and one sensed a determination on his part to be cautious. As a member of the Government, he could not hurl javelins quite so freely.

Everything was going along in a dignified, restrained manner when Lord Rothermere cast a doubt on the usefulness of an Empire Air Conference which had lasted only two and a half days. At this the old original sin broke out from the Beaverbrook breast. For many years Rothermere had been chairman of Imperial Airways and The Beaver accused his critic of having sold British aviation down the river, or wherever an aviation industry could be sold.

"You had not one businessman at your conference," said Rothermere, counterattacking.

"Not one," answered Beaverbrook proudly.

The peers were delighted. They were glad to see that ministerial responsibility had not completely curbed the exuberance of their favorite fighting cock.

* * *

Socialists Impatient

Socialists have become restive since Churchill's blunt, if blank, speech on continuation of the coalition government. The Socialist Party has always maintained the attitude that it was the partner who might dissolve the marriage. As such it had to be humored and heeded; otherwise it might revert to single blessedness and leave Mr. Churchill with nothing but the Tory Party clinging to him like Mrs. Micawber. Because of its tactical position, the Socialist Party looked forward to a continuation of the coalition in the same form and on its terms for the first two or three years of the postwar period. Then Mr. Churchill calmly stands up in the House of Commons and suggests that, very soon after the conclusion of hostilities, there will be an election on party lines.

Here was a husband not dreading divorce as he should, but positively welcoming it, and, if that was not bad enough, he then said that anyone who would break up the marriage during the war would be a villain. This really hurt. For a husband to inform his wife that she must be a dutiful spouse until such time as he would tell her to go would bring a flush of resentment to any cheek.

Frankly the Socialists don't know what to do about it. The whole situation has been completely altered. Instead of their doing the threatening, it is the Prime Minister who does it.

Perhaps it was because of this that Mr. Ernest Bevin did a spot of socialist propaganda yesterday from the government front bench.

(Continued on page 2, col. 3)

Paring Bacon Quota Is Shock to Ottawa

Drastic Cut in Exports and Lifting Domestic Restrictions Viewed as Concession to Public Pressure But Farmers Say Move Practical

By STAFF WRITER

OTTAWA. — Announcement that Canada's bacon quota to Britain would be cut a third and restrictions lifted on slaughtering of hogs for domestic use, came as a profound shock and disappointment to Ottawa. Despite rumors of feed and labor shortages, general assumption was that something reasonably close to the present quota would be adopted.

In many quarters political timidity is blamed for the move which, it is claimed, was not in line with Hon. James Gardiner's original plans. It is argued that pressure from areas where the restrictions on slaughtering for domestic use hit local meat supplies, forced the Cabinet to capitulate.

Other reports, however, hail the move as a victory of the practical agriculturist over the planner, with the new export quota much more in line with feed and labor supplies, and placing Canada in a stronger postwar position. These people point out that Canada's grain crop this season is less than half the bumper harvest of a year ago, and the labor situation is critical, both on the farms and in the packing houses.

Two-year British Quota

The new policy involves a two-year British quota of a minimum of 450 million lb. a year, instead of the present one-year 675 million lb. quota, a slightly higher price, and lifts the restrictions limiting hog slaughterings for domestic use to 75% of 1941.

Currently, Canada's export of bacon is geared to a level of something better than 13 million lb. a week. This is the amount which Canada would have to provide each week to achieve the annual commitment of 675 million lb. named in our last contract with U. K. Actually, Canada fell considerably short of this amount earlier in the year, so a new arrangement was worked out whereby Canada increased her weekly shipments this fall and winter to try and overtake the summer slack.

It had been hoped to complete the present quota by December. In view of recent Cabinet action it is now doubted if this can be achieved before January or February, since removal of all restrictions on local slaughterings will almost certainly divert a very substantial amount of bacon into domestic channels and reduce export flow.

It had been generally expected that Canada would be unable to match in 1944 her 1943 commitment of 675 million lb. A much smaller grain crop was the main handicap; added to this were labor shortages and an increase in grain prices which upset the hog-grain price differential.

It is understood that both Mr. Gardiner and Mr. Ilsley were prepared to grant some subsidy assistance to hog raisers, over and above the 75 cents per cwt. increase allowed last week to "even up" domestic and export prices and to bolster U. K. exports. Bonus payments as high as $3 or $4 per cwt. had been discussed although it is thought that a somewhat smaller figure would probably have emerged from Cabinet deliberations.

Per Capita Consumption Down

On consumption side it is argued that per capita consumption of pork in Canada has fallen from pre-war average of about 50 lb. per annum to around 32 lb. for 1942. At the same time beef consumption has steadily increased from a pre-war figure of 54 lb. per capita to a present figure of about 70 lb. Since total meat consumption in Canada is limited to a ration of 104 lb. per capita, it is therefore argued that any increase in bacon and pork consumption would release beef for U. K. export and ease the pressure against the price ceiling of that meat.

On the other hand, it is pointed out that many families today are not using all their meat ration coupons but that if bacon becomes plentiful the tendency will be to use coupons for that purpose, restore bacon to the family diet and forget the earlier injunction of the Government to save pork as a war sacrifice.

Opposition to the restriction on slaughterings for domestic use has been gathering momentum ever since it was adopted a short time ago in an effort to curb black markets. The ruling hit small packers without an export outlet and also those local butchers who did their own or part of their own killing. The area served by such interests was also hit.

Strengthen Position

From the standpoint of postwar trade the new quota should put Canadian agriculture in a much more favorable position. This season it is an open secret that much of the bacon shipped to Britain was of only fair quality, if judged from the pre-war standards. In the last year market weights of hogs have been raised as much as 18 pounds which has resulted in more vital fats getting to the hard-pressed

(Continued on page 2, col. 6)

Graded Family Aid Plan May Cost $135 Million

By STAFF WRITER

OTTAWA.—The latest word that comes from sources close to the Cabinet is that a new and modified version of "family allowances" for Canada is now a distinct probability.

The new version which replaces the old $9-a-month-for-every-child plan and which was to have cost an estimated $180 millions is as follows:

A graded plan costing $135 millions and limiting payments to five children for each family.

The "grading" varies according to age and starts at $9 a month for 14-year-old children. The amount that would be paid tapers down for younger children. No payments would be made for children above 14 years of age.

Cabinet Still Undecided

At the moment the Cabinet has sidestepped a decision on the McTague report by throwing the whole matter into the uncomfortable lap of Dominion-Provincial discussion. How long this delay will be countenanced by Labor and other groups who have been pressing for publication of the McTague report remains to be seen.

So far as the Federal Cabinet is concerned, it is now reported to be farther from a decision on the course it will take to implement the McTague report than at any time since the discussions first began some months ago.

Even the proposal to lift wage-earners getting less than 50 cents an hour out of the ceiling, and which was definitely pushed to one side by the Cabinet a week or so ago, is now said to be under consideration again.

Marsh Suggestion

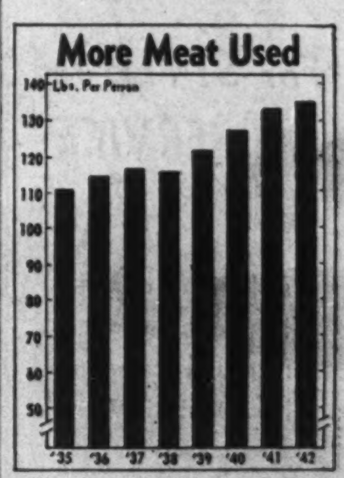
The plan to "grade" benefits under a family allowance scheme was suggested by Dr. Leonard Marsh in his report on Social Security for Canada. In this report . minimum of $5 a month was suggested for children up to five years of age and a maximum of $12.50 a month for children 15 to 16. Average cost of such a plan, according to Dr. Marsh, was placed at $7.50 a month.

The new proposals are said to revolve around a $9 "top" for children 12 to 14 years of age, and scale down to $2.50 for children up to five. No allowance would be paid for more than five children in a family.

In some quarters it is now suggested that such a scheme may shortly be announced as part of a social security program and possibly even in advance of any decision on the McTague report.

The excuse for not issuing the McTague report would be that it is necessary to consult with the provinces before commitment can be made on one of the most important of the recommendations, namely, the proposed Labor Code.

Pace of Business



Greater purchasing power in Canada has meant increased consumption of meat, among other things. This, in turn, has contributed to an overall shortage. Added to overseas demands, the result has been rationing of meat for the Canadian consumer.

For complete business statistics see page 12.

U. S. Business Sees New Role

Ready to Lead in Setting Postwar Trade Conditions

By RONALD A. McEACHERN
Editor, The Financial Post

NEW YORK.—Significant of the intense concern of United States business to play a bigger than ever part in postwar world trade is the meeting of the National Foreign Trade Convention being held here this week.

Attendance of over 1,500 top figures in foreign business is the largest in the 30 years these meetings have been held.

Transparent in most of the speeches and in corridor gossip is an attitude that the U. S. must play as dominant a role in world business as she is in winning the war, and that she is going to speak her mind forcefully in determining the rules of postwar world trade.

Conversation also makes it clear that there is considerable concern in the minds of U. S. businessmen as to Britain's postwar trade plans; a feeling that the wartime partners may be strenuous peacetime rivals, and that some modus vivendi must be worked out between the two to keep tight the bonds of amity and avoid disruptive practices.

British Delegates

A small group of British businessmen are attending on invitation of the Foreign Trade Council. They have no official status, but it is clear the hope is these delegates will help foster a foreign trade point of view in Britain which will fit in with American ideas as expressed at this convention.

An "international business-economic conference to chart the new world roads of trade for the future" was proposed by F. C. Crawford, president of the National Association of Manufacturers.

"We should be joining with the business and economic groups of other nations to work out these problems of world relations before the days of the peace conferences," he said.

"If we are to implement a lasting peace we shall have to avoid both economic nationalism and economic imperialism. Economic realism based on mutual honesty and fair dealing will have to underlie our future international relations.

"Every American speaker very evidently holds it as axiomatic that Britain and the U. S. must remain welded together to maintain the peace, to make the peace work well for the rest of the world.

"They also hold with equal conviction the point of view recently expressed so well by Sumner Welles; we have at long last learned the lesson that we cannot grow richer if the rest of the world becomes poorer and that the surest guarantee of our prosperity is the prosperity of others."

Lessons of War Plans

Speaker after speaker referred to the results which have been achieved by co-ordination, planning and joint action on the economic war front. The group, here, while suspicious of co-ordination imposed by the present administration, very evidently feels that satisfactory results and great mutual advantage can come from using similar methods in peacetime.

"We have a favorite sport in this country — British-baiting," said Joseph C. Rovensky, vice-president, The Chase National Bank. "But if the time should ever come —I can't think that it ever will— but if it should come that Britain and the United States are not standing shoulder to shoulder, then I don't want to be around."

The reception for that remark, plus a dozen similar comments in speeches and conversations, makes it plain that this is the very strong sentiment of the group represented here.

As one speaker observed, "We are practicing internationalists."

Know Canada's Record

Canada's wartime fiscal record is well known to the groups here and the esteem in which Canada is held is almost embarrassingly high.

Canadian speakers, Brooke Claxton, Parliamentary Assistant to the Prime Minister; R. E. Knight, Foreign Superintendent, Bank of Montreal, and Sidney Turk, Bank of Canada, were greeted with unmistakeable warmth.

Mentioned only in conversations, however, is very real concern as to Canada's postwar trade policies; and how we will work out our trade salvation within the British orbit and at the same time within the U. S. orbit.

This is one vivid illustration of why people here are so eager to have basic agreement between Britain and the U. S.

One of the longest and largest sessions was devoted to international currency plans. A representative of the U. S. Treasury, in an address and in a long question period, strenuously tried to "sell" his audience on the White Plan which is designed to prevent wide fluctuation in exchange rates to help maintain economic health in the member nations, and to provide machinery whereby nations can pool resources to give temporary assistance to members in time of need for mutual advantage.

Vigorous opposition to any such plan has in the past been voiced by business and financial groups especially in New York and Chicago. The U. S. Treasury representative obviously felt he had come into a lions' den.

Some of the questions asked and objections raised to any such proposal made it very plain that the objectors didn't know what the plan is and didn't understand the workings of stabilization funds, central banks, etc.

But private discussions with a dozen top-flight bank and trade executives here make it plain that the consensus of the majority is that something like the White Plan is absolutely essential, that the

(Continued on page 2, col. 2)

Hat News FROM EATON'S

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LONDON CALLING by Adelphi

(Continued from page 1)

An M.P. asked why British service men could not be paid the same rate as the Australians.

"Perhaps if we had the same kind of government as Australia we could do it," said Bevin, with an expansive smile. The government in Australia is of course Labor.

* * *

Coal is Big Issue

The big issue in politics centres around coal. This basic British industry has always been an explosion point of labor troubles. Harsh conditions of a miner's work and life all tend to rouse wide sympathy and to make of miners themselves good material for the extremists. It was the prolonged mining strike which led to the general strike of 1926.

Quite openly the last Miners' Federation is asking the Government to nationalize the industry. Now men do not want to risk the hazards of peace under private ownership.

Churchill has refused it as a wartime measure. He probably remembers how in the last war the output per man under Government ownership fell so sharply that by 1921 the Government gave back the whole thing to the owners with a deep sigh of relief.

The workers are strongly organized but so are owners. It is in fact the most highly organized industry in Britain. There are admirable methods of conciliation and discussion and in many pits relations are most cordial between management and workers. Perhaps if it were not for professional agitators or, to use a kindlier word, sympathizers, the industry might get on quite well by itself.

* * *

Miners in Parliament

As it happens there are many M.P.'s who have served their time in the mines and later became trade union officials. They are almost all eloquent speakers and they feel that it is their sacred duty to fight for nationalization and condemn private ownership.

Tories regard the battle as of supreme importance. They say that if coal goes then one industry after another will follow into the bog of nationalization. Therefore both sides are preparing for a showdown. The economic clash resolves itself into this:

"Is the price of coal to be regulated by wages paid or is the rate of wages to be determined by the demand and price obtainable for coal?"

Once more we are to see the struggle between what is right and what is partially right. In the meantime the men will continue to produce coal for the war effort although all this agitation has a depressing effect on output.

* * *

Mr. Lloyd George has married again at the age of 80. Two years ago his wife died. In marrying his secretary, Lloyd George has followed the precedent of many eminent men. The late Lord Reading, Sir Henri Deterding, head of the Royal Dutch combine, married in late life women who had patiently served them as secretaries.

The new Mrs. Lloyd George is a woman of fine gifts and capabilities. During the last war her power at No. 10 Downing Street was considerable although she never misused it. She made appointments for the Prime Minister often, without consulting him. This, plus her serene beauty, made her a much courted and flattered young woman. She dedicated her life to the great little Welshman. As the years passed and he retired more and more from the political scene she did not lessen in her loyalty. We are all glad that he will have a wife by his side in these last and lonely years of his life.

Bacon Scheme Proves Shock

(Continued from page 1)

British consumer but lower grade bacon. In addition many still heavier hogs were turned into bacon and exported. Under the new greatly reduced quota it should be possible to export a much higher quality product and one that will build up our reputation for the great postwar market battle ahead.

Danish Competition

Just how serious that battle may be, after the first needs of a starving Europe have been met, is indicated by a glance at pre-war production of export figures of Canada and Denmark our principal competitor on the UK market, along with the pre-war bacon production figure of the British farmer. These are as follows:

(in long cwts.)

Canadian Export to U.K.	
1938	1,942,000
1943	6,026,000
1944*	4,017,000
Danish Exports to U.K.	
1938	3,389,000
1932†	7,672,000
U. K. Domestic Output	
1938	1,942,000

* Based on new quota.
† Prior to first Empire agreement which sharply reduced Danish quotas.

At our present export of 675 million lb., or approximately 6 millions long cwt., it will be seen that Canada is actually exporting to Great Britain, almost as much as the 1938 total of Canadian and Danish exports, plus the domestic production of the UK.

Danish production in this war, it is true, must have been hit hard by German occupation and the cutting off of essential foreign feed supplies. But it is believed that Danish farmers today still have 50 % of pre-war hog holdings and it is probable that in this liquidation it is the poorer animals that have been sacrificed. This being the case it would seem that the development would follow the first Great War pattern, namely, Danish farmers will come out with much less, but better livestock. Only the very best animals will be retained for breeding stock.

The two-year feature of the new bacon agreement with Britain will be welcomed by most farmers. Since the beginning of heavy war exports the shortness of the contract period of guaranteed prices has been criticized.

It takes at least a year to expand livestock holdings and often much longer. Under the circumstances the farmer did not know whether that expansion would be profitable or not with prices only guaranteed a year ahead. He remembered well the losses incurred in the last war when farm markets collapsed in 1920 and left him with a lot of high priced, and still unfinished, cattle and hogs on hand.

Food for War
Preserved, Packed and Shipped

Thousands of Canadian men and women are doing a most necessary job of converting farm products to transportable food for millions of fighters and civilians overseas. Much credit is due those working in canning, dehydration, curing, packing, refrigerating, and shipping. With war industries and their workers the Bank of Montreal is working helpfully by supplying the kind of banking service suited to the times.

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A 179

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Urges One Air Interest For U.S. Foreign Field

Juan Trippe of Pan American Holds British Have Advantage Through Single Unit and Wants Similar U. S. Plan

By STAFF WRITER

NEW YORK.—An implied demand that the United States enter only one company in the field of postwar international aviation was made by Juan Trippe, president, Pan American Airways Corp., speaking to the National Foreign Trade Convention.

He pointed out that Britain, Canada and most other countries had only one air transport firm operating internationally, that, in his opinion, the U. S. would have to do likewise to protect its own interests.

He asked:

"Shall we have 10 or 15 separate American air lines each competing with the other as well as with powerful foreign monopolies? Shall we have three or four air lines—each restricted to a separate zone? Britain, France, Germany and Japan tried this scheme for several years and then abandoned it in favor of the single company system.

"Or shall we have one strong American international air line, strong enough to compete on even terms with the great foreign flag air transport monopolies—a community company—owned and controlled, not by one aviation interest, but by all American transportation interests able to contribute, under an organization plan approved by the government?"

When the war is over, Mr. Trippe said, American business must plan to provide 10 million additional jobs; to reabsorb men in the armed services and to provide full employment.

"Increased foreign trade in the air age under our private enterprise system is the best single opportunity to provide those jobs. We need to move and move quickly."

Commenting on the century during which the U. S. had lost interest in foreign trade, Mr. Trippe said that in 1938 exports represented 5% of the American national income; that foreign trade involved directly or indirectly only one worker in five.

In the same year, Britain's foreign trade was over 20% of her national income; involved three out of five of her workers.

"Britain is world-minded. We have been mainly American-minded. Britain thinks in terms of ships and cargoes, of foreign trade and commerce. Young men are taught the economics of world trade. They are taught foreign languages and foreign customs. They look forward to careers in foreign trade. They go out to the far corners of the world to learn the techniques of commerce.

"A strong Britain will be a cornerstone of world peace," Mr. Trippe said, "but she has provided her foreign traders with the tools they need."

"They have consolidated their separate cable and radio communications companies in one great system, which," he said, "stretches to every corner of the globe providing swift, low-cost universal communications. No such comprehensive or direct system is available to traders of any other nation.

"By establishing this common front, Great Britain has made it impossible for foreign countries to play off one separate British communications company against another. One single community company negotiates all her foreign communication franchises.

"In the same way, the British Government has concentrated all overseas air transport in a single strong community company.

"Our foreign traders will be greatly handicapped unless we have a unified communications system, providing an efficient world-wide service."

Investor's Index

Oct. 30, 1943

Aluminum Co.	12	Guaranty Trust	4
B. C. Power	4	Geo. Weston	12
Candn. Bakeries	4	Mtl. L., H. & Pr.	4
Can. Fairbks.-M.	4	Niag. Falls Loan	4
C. I. L.	5	Noorduyn Air.	13
Canada Bud	10	N. S. Lt. & Pr.	4
Can. Vickers	13	Ottawa Car & A.	30
Dist. Corp.-Seag.	5	Shawinigan W.	10
Ford of Canada	10	Tor. Elevators	4
Fairchild Air.	13	Winnipeg Elec.	4

MINES AND OILS

Arrow-Marion	31	Inter-State Roy.	10
British-Dom. Oil	13	Imp. H-B.	31
Broulan Porc.	13	Imp.-Viking	31
Bralorne Mines	31	McLeod-C.	12, 31
Can. Indus. Min.	30	Macassa Mines	31
Cannar Oils	31	Preston E. Dome	4
Dom. Oils	31	Vermilata Oils	31
Hollinger Cons.	13	Wright-Harg.	4
Hard Rock	31		

REGULAR FEATURES

Bond Quotations	14
Business, Week in	12
Editorial	6
Income Tax Queries	13
Insurance	11
Investment Pages	4 & 5
Enquiry Letters	13
Stock Quotations	14
Mining Pages	30 & 31
Oil Quotations	14
Royalty Offerings	14
In Your Opinion	8
New Wartime Regulations	13
Wheat Prices	15

Investment Bankers Association of America is holding its 32nd Annual Meeting at the Waldorf-Astoria, New York City, Nov. 3 to 5, 1943. The meeting is to be addressed by George W. Spinney, president of the Bank of Montreal and former chairman of the National War Finance Committee of Canada; and by Hon. Fred M. Vinson, Director of Economic Stabilization in the United States.

Tell Your Sales Story to Rural Canada!

Mr. Manufacturer the way to tell rural Canada about your product is with a hard-hitting campaign in the Family Herald.

The Family Herald and Weekly Star is Canada's ONLY national farm magazine . . . Let it tell your sales story to more than 300,000 prosperous farm homes from coast to coast. Use the Family Herald and Weekly Star NOW for present and post-war sales.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

U. S. Business Ready To Lead

(Continued from page 1)

White Plan is probably as good as can be worked out.

As put to me by one middle-western bank head:

"A lot of the boys haven't taken the trouble even to read the plan yet. When they do, most of them will agree something like it has to come. The real trouble is not the plan, but where it comes from. It comes down to the fact that we don't like the administration. We don't want to have the stabilization fund kicked around for the sake of politics. Furthermore, you must remember that such a fund would cut down on some aspects of the banking business and we don't, naturally, fancy that.

"But I'm pretty well convinced that some such plan will come into operation, that it has to. Just give us time. We'll come around."

Stress Gold's Importance

There was as much talk about gold—as much insistence on its monetary importance—around these meetings as there is at a Toronto meeting of mining men.

"Let's forget all about Bancor or unitas if that's what worries you," said the U. S. Treasury representative. "We don't need to have a new name to have a system."

Pointing out that gold was tied tightly with the White Plan, the speaker pointed out that it would be almost as simple to define the value of all currencies in terms of grains of gold as in terms of bancor or unitas.

Vivid expression of the very sceptical attitude toward the plan and of a widespread point of view as to future relations with Britain and the place the U. S. must in future take in world affairs came from a Mississippi Valley banker.

He pointed out that several decades ago he constantly had to do his foreign trading in sterling.

"For a hundred years we had the so-called Pax Britannica. I want, for the next hundred years, to have a Pax Americana." Part of his plan to achieve this was to define all world currencies in terms of American dollars.

Second List Big Loan Buyers is Announced

The following list of large individual subscriptions to the Fifth Victory Loan is furnished by the National War Finance Committee and includes only subscriptions of $500,000 and over announced up to press time.

Metropolitan Life	$22,500,000	Powell River Co.	750,000
Canadian Pacific	†17,500,000	Woodward Stores Ltd.	750,000
Prudential Insurance	15,000,000	Pacific Mills Ltd.	750,000
London Life Insurance	13,500,000	Winnipeg Sinking Fund	750,000
Canada Life Assurance	12,000,000	Bank of Com. Pens. Fund	750,000
Consol. Min. & Smelting	8,000,000	Procter & Gamble	750,000
City of Montreal	7,500,000	Montreal Life Insurance	750,000
New York Life Insurance	6,000,000	Quaker Oats Co.	750,000
T. Eaton Co. Ltd.	6,000,000	Burns & Co. Ltd.	700,000
Ford Motor Co.	6,000,000	N. A. Timmins Corp.	700,000
Aluminium Fiduciaries	4,000,000	Penmans Ltd.	600,000
Can. Intl. Paper	3,600,000	Ontario Loan & Debent.	600,000
Dominion Textile	3,500,000	Caisse d'Economie	600,000
Hudson Bay Mining	3,300,000	Asbestos Corp.	600,000
B. C. Electric Railway Co.	3,000,000	National Life	600,000
National Steel Car	3,000,000	Sovereign Life	600,000
Canada Packers	3,000,000	S. S. Kresge Co.	500,000
American Can	3,000,000	Canada Starch	500,000
Can. Car & Foundry	2,500,000	Johnson & Johnson	500,000
Montreal L. H. & Power	2,500,000	Union Twist Drill	500,000
Imperial Tobacco	2,500,000	National Grain Co.	500,000
Northern Electric	2,500,000	McNamara Construction	500,000
Workmen's Comp. B. C.	2,200,000	Building Products	500,000
Dominion Oilcloth	2,000,000	Premier Trust Co.	500,000
Page Hersey Tubes	2,000,000	W. R. Robinson & Son	500,000
Canadian Celanese	1,750,000	Gatineau Power	500,000
Singer Mfg. Co.	1,600,000	Western Savings	500,000
Canadian Cottons	1,515,000	Can. Oil Companies	500,000
Toronto Transpn. Com.	1,500,000	Foundation Co.	500,000
Shell Oil Co.	1,250,000	Bank of N. S. Pens. Fund	500,000
Canadian Kodak Co.	1,250,000	Dominion Woollens	500,000
Kerr-Addison	1,150,000	Inter. Business Machines	500,000
F. W. Woolworth Co.	1,000,000	Cockshutt Plow Co.	500,000
Spruce Falls Power	1,000,000	Brompton Pulp & Paper	500,000
Anaconda Amer. Brass	1,000,000	St. Lawrence Paper	500,000
Great Lakes Paper	1,000,000	La Societe des Artisans	500,000
Montreal Trust	1,000,000	Compagnie d'Assurance	500,000
Goodyear Tire	1,000,000	Electric Metallurgical	500,000
Northern Life	1,000,000	Canada Malting	500,000
Monarch Life	1,000,000	Can. Fairbanks - Morse	500,000
Borden Co.	1,000,000	Robert Mitchell	500,000
Shawinigan	*1,000,000	Continental Life	400,000
Can. Johns-Manville	850,000		
Investors Syndicate	850,000		
H. R. Macmillan Export	825,000		
Can. Order of Foresters	800,000		
West Kootenay Power	750,000		

* Additional subscription of the company and its subsidiaries, bringing total subscribed to $4,555,000.

† Includes $3,000,000 for employees pension fund.

Unlisteds Show Light Trading

Plaxton, McDonnell & Co. state that a mixed trend continued in the unlisted stocks during the past week, with light trading volume.

Acme Farmers Dairy pref., an inactive issue, was quoted 82 to 85. Andian National lost 1 point, at 26 to 27½. B. C. Pulp & Paper pref. gained 3 points, at 73 to 76; the common was fractionally stronger at 12½ to 13½.

Brown com. showed a fractional gain at $1.75 to $2.05; the pref. advanced ¾ at 33¼ to 36.

Canadian Industries pref. continued in demand at 171 bid. Canadian Westinghouse gained ¼ at 46¾ to 47½.

Federal Grain common dropped 20c. at $3.55 to $3.90. Hayes Steel Products eased ¼ at 14½ to 15½. M. & O. Paper common dropped ¼ at 8½ to 8⅞.

Western Grain 6½% pref. advanced 3½ points, closing 33½ to 37½.

ACME GLOVES

For STYLE and SERVICE

Gloves with the style that appeals to discriminating men and the wearing quality that assures lasting service. It pays to say "ACME".

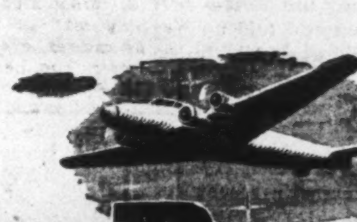
ACME GLOVE WORKS LIMITED, MONTREAL

REAL ESTATE
• Sales
• Valuations
• Mortgages
Property Management
R. F. HEAL & COMPANY
112 YONGE ST. AD. 3457-8

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Parish of St. Colomb de Sillery, P.Q.	Oct.	Clement & Guimont Inc.	3½%	15-ser.	$37,000	100	.....



More Power for Manpower

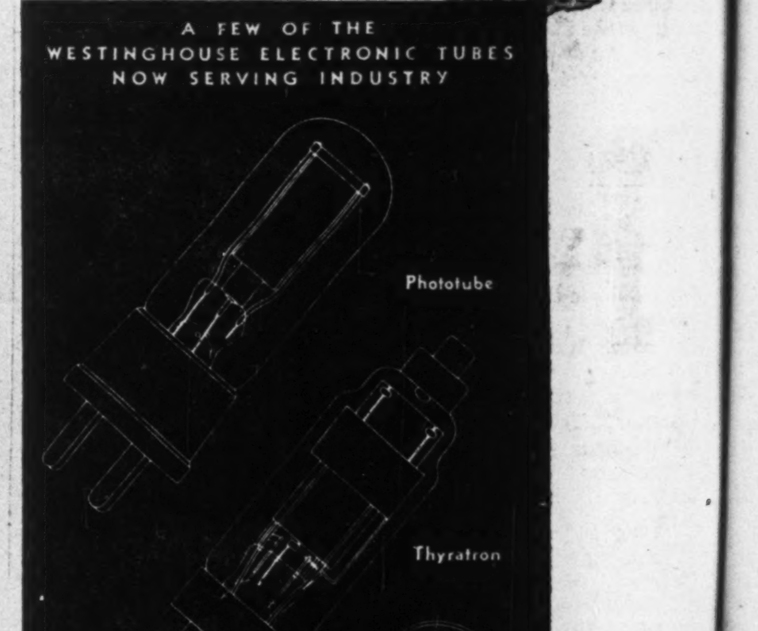
Everyday, electronics and manpower become closer allies.

Today, Westinghouse Electronic Tubes are hard at work on hundreds of industrial and military fronts, adding their own power to manpower. By helping to perform many tasks better, they are speeding up production, improving quality and extending man's control into the realms of the impossible.

For example, you will find Westinghouse tubes saving time and work on jobs such as these: vibration detectors for rotors, heat treating, welding and dust precipitation. You'll also find them as part and parcel of amazing developments which enable men to "see" in darkness, land planes at "ceiling zero," keep ships off rocks in fog-bound harbors and detect planes at great distances.

All of these are today's developments, jobs in which Westinghouse tubes are building a reputation for perfection of design and construction.

In your thinking and planning for today and tomorrow, include the use of electronic tubes. Westinghouse . . . pioneers in electronic "know how" are at your service.



Electronic tubes AT WORK

Westinghouse

CANADIAN WESTINGHOUSE COMPANY LIMITED, HAMILTON, ONTARIO
SALES ENGINEERING OFFICES: VANCOUVER, TRAIL, CALGARY, EDMONTON, REGINA, SASKATOON, WINNIPEG, FORT WILLIAM, TORONTO, SWASTIKA, LONDON, MONTREAL, OTTAWA, QUEBEC, HALIFAX
SERVICE AND REPAIR SHOPS AT POINTS MARKED

THE WASHINGTON LETTER

"Is Canada Free and Sovereign?" U.S. Congress Debates Point

- Senator Gillette Potshots at Dominion Status
- Drew Pearson Again Makes Allegations
- Stettinius Ready to Talk Air Policy With Britain

WASHINGTON—Are the British Dominions "free and sovereign" nations?

To Canadians the question may be academic, but it was raised seriously in the United States Senate during the debate on the Connally resolution which puts on record congressional opinion that "the United States, acting through its constitutional processes, join with free and sovereign nations in the establishment of international authority with power to prevent aggression and to preserve the peace of the world."

The resolution itself is a milestone in the United States' laborious progress from an historic isolationism to full collaboration in world order. But the question raised on Dominion status suggests that whoever represents Canada at the peace conference may have to wage Sir Robert Borden's fight all over again.

Borden fought and won for the Dominions full recognition as independent entities within the Empire and entitled to the right to sign the Treaty of Versailles in their own name and to sit on the Council of the League of Nations.

Senator Gillette, an ex-isolationist from Iowa, opposing efforts of a minority group of internationalists to put "fighting words" into the Senate's resolution, raised the point about the Dominions. The internationalists wanted to include the name "United Nations" in the resolution.

Gillette argued that the "Commonwealths of the British Empire cannot be taken in under the full definition of 'free and sovereign' nations." He also objected to the inclusion of India, a signatory to the United Nations declaration which, he said, was in no sense a Commonwealth.

Senator Burton challenged him as to whether the British Commonwealth countries could be excluded under the wording of the Connally resolution. Gillette replied, "I sav that it could be so construed, because there is a specific limitation in the constituent situation of the Commonwealths of the British Empire. The difficulty could be obviated in formulating the provisions under which the postwar authority might be created."

* * *

● Curiously enough, no member of the Senate Foreign Relations Committee, of which Gillette is also a member, corrected the Senator from Iowa. Next day Washington Columnist Drew Pearson reported in his column that the words "free and sovereign nations" had been included in the Mackinac Charter on Foreign Relations drawn by the Republican Party for the purpose of barring the Dominions.

Later Senator Vandenburg, member of the sub-committee which drafted the Connally resolution and chairman of the commitee that drafted the Mackinac Charter for the Republican Party, denied to me personally that the wording "free and sovereign nations" had been chosen to bar the British Dominions.

Word juggling though these exchanges may be, they do represent a trend of thought in certain American quarters that has always required persuasion and argument to overcome. When Canada joined the Combined Production and Resources Board some uninformed people asked if Britain didn't thereby obtain two votes against the United States' one.

Actually, of course, official practice is just the opposite of the attitude expressed by Mr. Gillette and others like him. Canada not only sits on two combined boards, but also holds chairmanship of the United Nations Interim Commission on Food and Agriculture, a key role in the first really important international body to arise from the war.

While the Senate debated whether the United Nations were to include the words "United Nations" in their resolution favoring American collaboration to keep the peace, final details are being completed for a second meeting of that international body. This time it will be at Atlantic City and the subject—international relief and rehabilitation. The British Dominions against whom Mr. Gillette would place a question mark as "free and soverign nations," will vote independently—and one of them, Canada, will be charged with organizing one of the key committees.

Most important admission of any former isolationist during the Senate debate on American foreign policy this week, however, was that of Vandenberg who said that the Senate was acting in response to American public opinion. The words of the resolution may be timid and cautious but at least they represent the start of a swing from the past and its costly mistakes.

Said Senator Connally, who as a young member of the House of Representatives when the Senate rejected the League of Nations, "We tried isolation and it failed—let us now try collective security."

Still stubbornly clinging to the past, however, is old Hiram Johnson of California—last of the "little band of wilful men," as Woodrow Wilson called them, who barred American participation in the League of Nations. Johnson is still "agin" any form of co-operation that would bind the United States to help its neighbors. He is determined to go to his grave an isolationist.

* * *

● There are indications that the United States will quickly accede to any British request to talk about postwar air policy. London dispatches indicate Beaverbrook and Lord Leathers, the British Minister of War Transport, have been assigned to open talks on this ticklish subject. But so far as American officials are concerned, all they know is what they read in the newspapers. But new Under-Secretary of State Edward Stettinius, Jr., was quick to add that if the British opened the subject, the United States will be glad to talk.

There is good reason to believe the United States prefers to have Britain make the opening bid. Three alternatives have been under consideration here:

(1) British-American talks; (2) A four-power conference, and finally a United Nations Transport conference.

The latter undoubtedly will be held, but now it appears likely to be preceded by a British-American discussion which will be confined to exploring differences.

Position of Canada in respect to the British-American talks is not yet clear. Ottawa dispatches to The Financial Post last week said Canada opposed an "all red" route and indicated the Dominion was playing a lone hand.

In the coming discussions Canada would be informed then, but would not participate. This may not be to the Dominion's disadvantage, however, since the final settlement of postwar air problems must await the broader political settlement toward which the Foreign Ministers are working at Moscow. In the long run the United Nations will all have to sit down and discuss postwar air policy if any real policy is to emerge.

There were reports current here this week that lend-lease requirements from the United States for steel to ship to Great Britain and Russia will show a marked reduction in the first quarter 1944. Such a reduction would expand amounts available for essential civilian uses in the United States.

The real significance lies in the fact production programs are "topping off." It means material expenditures, even on active fighting fronts, has been less than anticipated.

Bracken Asks Equal Rights For Farmers

30-point Program Includes Co-ordination of Production, Marketing

National Progressive Conservative policy for the farmer and his needs was clearly set out at Lethbridge, Alta., this week by Party Leader John Bracken. Compactly stated, it is: "Equality for agriculture in the Canadian economic structure."

In detail it was outlined as a 30-point program, principal points of which were:

A plan for co-ordinated production and marketing with a view to increasing exports of surplus crops.

Increased farm prices, brought about by increasing demand for farm products, and establishment of floor prices for major export products.

Federal legislation to provide for orderly marketing.

Better land utilization, and a national soil conservation plan.

Establishment of food reserves.

Study of existing credit institutions and possible extension of them to meet farmers' needs. Also, adjustment of debts that cannot be met by competent farmers.

An integrated transportation system devised to supply the cheapest and best service, while maintaining the independent identities of the two major rail systems.

Assistance to farmers in obtaining use of mechanized equipment, and consideration of State or municipal ownership of power equipment.

Assistance in the development of educational and health services, rural electrification, better roads and improved farm homes.

Steps to remove fear of unjustifiably low prices which result from surpluses.

Decentralization. This would be sought in administrative functions and controls, with local governments considering local problems.

Seeks Co-operation

To facilitate the carrying out of his 30-point program the Progressive Conservative leader said that co-operation of organized farmers and other representative men in the agricultural industry would be sought, that a trained man would be appointed as Dominion Agriculture Minister, together with an under-secretary. As well, a board of livestock commissioners would have power to regulate all aspects of livestock marketing.

Dosco Reduces Plate Output

Slowdown in Shipbuilding Limits Need for Steel Plate

From Our Own Correspondent

MONTREAL.—Operations of the 110-inch plate mill of Dominion Steel & Coal Corp. at Sydney have been cut from two shifts to one daily, on instructions from the Steel Controller's office.

While no official explanation has been given, it is understood the slowdown parallels that in the shipbuilding program. The same quantity of plate is not now needed and the steel intended for plate will now be diverted to other purposes.

Other Divisions Unaffected

The reduced operations do not extend to other departments of Dosco's big Sydney plant.

The plate mill, constructed during the last war but first put into production in this war, turns out flat sheets that are used mainly in ship construction. Its yearly production on the two-shift basis was about 100,000 tons.

WPTB Making Paper Use Cut

(Continued from page 1)

departments suggesting avenues for saving, such as mailing lists, mimeograph material, letterheads, correspondence.

Crisis in Pulp

Activity on the paper conservation front stems in part from meetings held here last week between WPTB officials and Morris W. Wilson and his U. S. and U. K. associates on the Pulp and Paper Committee set up some time ago by the Combined Production & Resources Board and the Combined Raw Materials Board, to investigate the looming crisis in pulp and paper demand and supply. Though it will be possibly another two months before this committee is ready to report—it has already issued a preliminary but purely factual report—the information available so far points so clearly to a crisis in pulp and paper during 1944.

Facts at present available indicate that Canada is being called on currently for 7¼ million tons of pulpwood against which there is a current "deficit" of about 1.5 million tons. Heretofore, this deficit has been made up largely by drawing on inventory.

This inventory has now almost entirely disappeared, and for 1944 it now appears that the over-all shortage of pulpwood will approximate at least 1 million cords.

Since it will not be possible to distribute this shortage evenly over all uses of wood products, the end result so far as the majority of uses for pulpwood are concerned will be inevitably very drastic.

Eastern Dairies Plan Passes Bondholders

Holders of the 6% convertible bonds of Eastern Dairies Ltd. have approved the plan of reorganization as modified and previously passed by the common and preferred stockholders.

This was the third meeting. The previous two had to be deferred because of lack of a quorum. The third meeting required only the bondholders present to constitute a quorum.

Under the plan maturity of the bonds will be extended from 1949 to 1957, with principal and interest payable in Canadian funds only instead of in Canadian, U. S. and sterling funds. The bonds will be exchanged par for par, with interest rate unchanged.

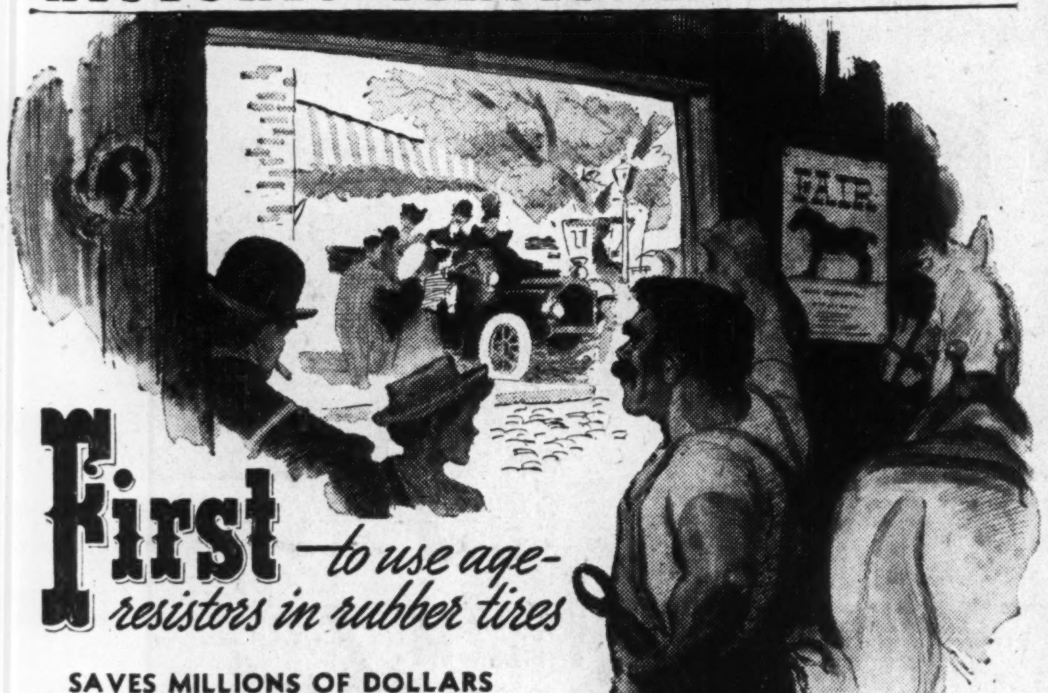
● When you buy a Victory Bond you are *insuring* peace, freedom and security for your country *and for yourself* in the years to come.

To make victory sure, Canada needs *every* available dollar. Make your full contribution by buying Victory Bonds in *two* ways . . . from savings and on the instalment plan from what you earn.

THE MUTUAL LIFE OF CANADA
Established 1869
HEAD OFFICE - WATERLOO, ONT.

SPEED THE VICTORY! . . . BUY VICTORY BONDS!

HISTORIC "FIRSTS" IN RUBBER



First—to use age-resistors in rubber tires

SAVES MILLIONS OF DOLLARS FOR CAR OWNERS EVERY YEAR

Long before the "Automobile Age" the village blacksmith knew the art of tempering steel to make it tough. But until B. F. Goodrich Research engineers tackled the problem of toughening rubber, all tires back 30 or 40 years ago, aged so quickly that you could gouge out huge hunks of rubber with your fingernail . . . only a few months after the tire was manufactured. Again B. F. Goodrich came through with another "first" in rubber . . . this time a marvellous "AGE-RESISTOR" that compounded with rubber made it t-o-u-g-h . . . added months . . . years to a tire's life . . . was to save motorists millions every year.

Today B. F. Goodrich research facilities are being used to solve the problems of war. B. F. Goodrich developed the first practical airplane de-icers, developed the first endless rubber track now used for war vehicles, the first automatic control valve for airships.

But the lessons learned in war will be of use when peace comes. New developments will be ready when increased supplies of rubber are available.

And no matter what kind of rubber is available—guayule, plantation crude, reclaimed, or any other—B. F. Goodrich will continue to make the finest tires from it, as they have done since 1870.

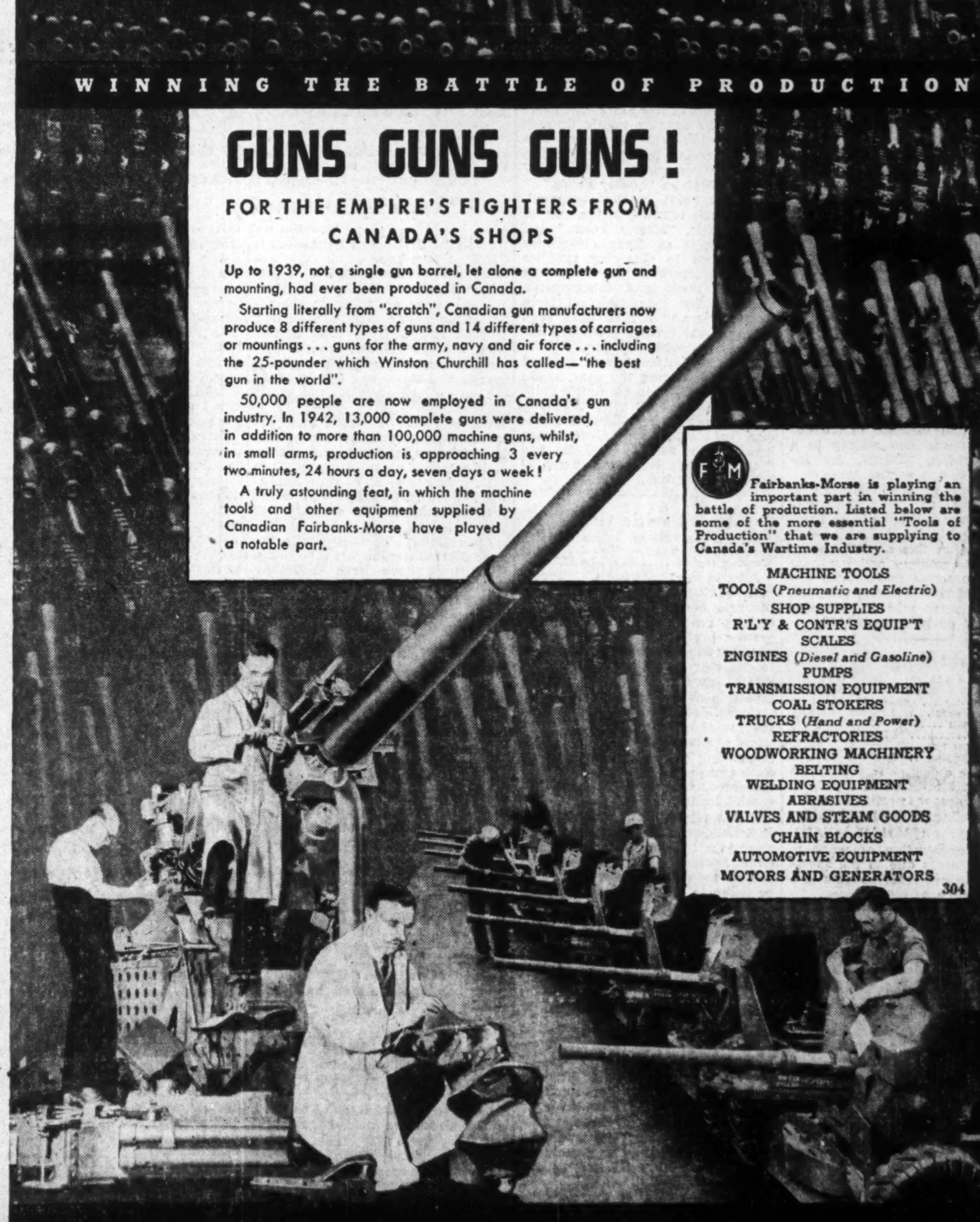
SAFETY FIRSTS . . . . that make your tires last longer

Drive below 40 M.P.H. . . .
Check tire inflation weekly . . .
Have your tires inspected regularly.

These are firsts in safety for your present tires . . . which very likely must last you for the duration. There is still no prospect of sufficient rubber for ordinary civilian needs. So don't take chances with your present tires.

In war or peace B.F.Goodrich FIRST IN RUBBER

WINNING THE BATTLE OF PRODUCTION



GUNS GUNS GUNS!

FOR THE EMPIRE'S FIGHTERS FROM CANADA'S SHOPS

Up to 1939, not a single gun barrel, let alone a complete gun and mounting, had ever been produced in Canada.

Starting literally from "scratch", Canadian gun manufacturers now produce 8 different types of guns and 14 different types of carriages or mountings . . . guns for the army, navy and air force . . . including the 25-pounder which Winston Churchill has called—"the best gun in the world".

50,000 people are now employed in Canada's gun industry. In 1942, 13,000 complete guns were delivered, in addition to more than 100,000 machine guns, whilst, in small arms, production is approaching 3 every two minutes, 24 hours a day, seven days a week!

A truly astounding feat, in which the machine tools and other equipment supplied by Canadian Fairbanks-Morse have played a notable part.

Fairbanks-Morse is playing an important part in winning the battle of production. Listed below are some of the more essential "Tools of Production" that we are supplying to Canada's Wartime Industry.

MACHINE TOOLS
TOOLS (*Pneumatic and Electric*)
SHOP SUPPLIES
R'L'Y & CONTR'S EQUIP'T
SCALES
ENGINES (*Diesel and Gasoline*)
PUMPS
TRANSMISSION EQUIPMENT
COAL STOKERS
TRUCKS (*Hand and Power*)
REFRACTORIES
WOODWORKING MACHINERY
BELTING
WELDING EQUIPMENT
ABRASIVES
VALVES AND STEAM GOODS
CHAIN BLOCKS
AUTOMOTIVE EQUIPMENT
MOTORS AND GENERATORS
304

FAIRBANKS-MORSE HELPS THE WAR WHEELS TURN...

The CANADIAN Fairbanks-Morse COMPANY Limited

HALIFAX SAINT JOHN QUEBEC MONTREAL OTTAWA TORONTO WINDSOR FORT WILLIAM WINNIPEG REGINA CALGARY EDMONTON VANCOUVER VICTORIA FACTORY, SHERBROOKE, QUE.

Who is to Operate Utilities?

Four of Canada's Privately-owned Units Involved

By JOHN LANGDON

Movements for public ownership of four public utilities representing an investment of over $500 millions are under way in four Canadian areas.

Primarily involved are Montreal, Light, Heat & Power Consolidated, Winnipeg Electric Co., British Columbia Power Corp. and Nova Scotia Light & Power Co.

Each of the four companies immediately involved is the largest public utility operator in the province in which it is located. Their service to the public covers a period ranging from 50 to nearly 100 years in the case of one of the component units of Montreal Power.

Between them these operators provide a complete utility service—electricity, gas and tramways. They serve over 2.4 million people, or almost one in every five citizens in the Dominion. They meet the needs of 11 cities and several score other communities.

Although Montreal Light, Heat & Power is the largest and most recent public utility enterprise in Canada to have definite moves toward public ownership of its electric producing and distributing properties taken, it is not alone in this respect. British Columbia Power Corp., Winnipeg Electric Co. and Nova Scotia Light & Power Co. also face similar moves. Scope of the properties involved and their importance to the investing public as well as to the municipalities in which they operate is outlined in the accompanying story.

Serve Over 500,000

Collectively they have over 500,000 customers; more than 1.6 millions h.p. of developed hydro-electricity; hundreds of miles of tramways and complementary equipment; a huge fleet of buses and gas plant with an annual capacity running into billions of cubic feet.

Their securities are held by tens of thousands of investors in this country, the United States and Britain. The safety of the investment in these companies concerns every Canadian holding an insurance policy, as public utility securities constitute an important share of insurance company investments.

Case of B. C. Power

On the West Coast, the Hart Government is actively assisting a plan to have British Columbia Power Corp.'s utility empire taken over by the municipalities which it serves.

Preliminary discussions have been undertaken by Premier Hart with a company committee, comprising A. J. Nesbitt, J. H. Gundy and Severe Godin, as to a possible basis for transfer of control of the property.

The West Coast situation is a development going back four or five years when the provincial government appointed a public utility commission. This board investigated B. C. Power's holdings and operations of its various utility subsidiaries. Every phase was covered by the enquiry, including the supplying of light, power, heat, water, gas and transportation services.

Late in 1941 S. R. Weston, the commission's chief engineer, completed his study. It was concerned with B. C. Electric and other operating subsidiaries rather than with the parent company, B. C. Power.

The Weston report made various recommendations, including one that the public should benefit through lower rates from interest earnings on the depreciation reserve

Following this came local agitation for municipalization. It has flared up from time to time, especially in the last year.

It is not proposed that the B. C. Government should set up a provincial hydro-electric system. The plan is that the operating units should be taken over by Vancouver, Victoria, New Westminster and other communities served.

Would Facilitate Plan

The Government's interest does not go beyond a willingness to help the municipalities arrange a deal, should they decide to go ahead. This might be in the form of financing.

The government is said to favor creation of two public utility boards; one for the mainland, serving Vancouver, New Westminster, etc., and one for Vancouver Island, serving Victoria, etc.

Such a policy also would conform with a program for rural electrification which the provincial government itself is sponsoring to provide power for farmers. So far there have been only tentative approaches by the government and the municipalities.

At the end of last year the consolidated balance sheet of B. C. Power showed assets having a book value of $122.9 millions, with $113.6 millions in fixed assets, after provision for a depreciation reserve of $33.6 millions.

At Winnipeg, the agitation for public ownership involves several other features. The company operates two large hydro-electric plants. From these stations power is transmitted to Winnipeg where it is offered for sale in competition with a municipally-owned system.

In addition to power, Winnipeg Electric Co. also produces and distributes gas, and runs the trams.

Ordinarily, the tramway is operated at a loss. Various attempts have been made by the company to secure higher fares or to sell the system to the city.

In addition to Winnipeg Electric Co. and the city hydro system, the provincial government also is directly interested for it operates a provincial hydro system.

Electricity for Farmers

For some time the government has been seriously considering a plan whereby it can broaden its rural distribution system to bring cheap power to a larger number of farmers.

To that end the government set up a Rural Electrification Commission to study the problem. While primarily concerned with distribution in rural areas, the group was asked to look into possible savings if the two power systems in Winnipeg were merged.

The Commission reported that savings would result from consolidation of power producers, but that it "was not empowered to conduct negotiations in an effort to bring the said utilities together in order to work out a plan of reorganization and is of the opinion that in any event the present time is not opportune for the conclusion of such negotiations."

Grounds for Action

A solution long recommended by some for Manitoba would be to have the provincial government take over Winnipeg Electric's generating plants, thus acquiring power for rural electrification, and sell the surplus to Winnipeg, where the competitive systems would be merged into a single ownership under the City of Winnipeg.

Winnipeg Electric Co.'s balance sheet shows over $83 millions book value of assets.

Montreal Power Involved

By far the largest property involved in public ownership plans is Montreal Light, Heat & Power Consold., which provides electricity and gas services in the Greater Montreal area. It is the largest privately-owned utility in Canada.

This company and its components have been in operation for a hundred years. Within the last 40 years, through a series of mergers of small competing firms, combined with wider use of electricity and growth in population, the company has established a successful operating and financial record.

While Montreal Power has maintained a high standard of service and made periodic reductions in electricity rates, there has been dissatisfaction with the company's rate schedule for some time past in certain quarters.

Board Revalues Assets

To determine the reasonableness of the company's rate structure, the Quebec Public Service Board undertook an inventory of the company assets employed in electrical service.

This was completed a short time ago. The Board concluded that the value of assets employed in the electrical service was $70 millions. The company claimed $112 millions. The Board served notice on the company to appear in court Nov. 12 to show reason why the value of these assets should not be written down and electricity rates established to provide the company with earnings of $13.3 millions on its investment on the basis of 1939 operations.

Godbout Wants Property

Within a few hours of the delivery of this notice Premier Godbout proposed to introduce a bill at the next session of the provincial legislature to have the province expropriate the "electrical distribution" system.

Widely held opinion is that the government's political strength has weakened and with a provincial election in the offing, the move to expropriate is designed to strengthen political fences.

Nova Scotia Light

Discussion points to the possibility of Nova Scotia Light & Power Co. being taken over by the City of Halifax.

Toward the close of the last session of the provincial legislature, an amendment to the Public Utilities Act was introduced to establish a "reasonable and just return" on capital invested in electrical utilities. This was to replace the old section calling for a return of 8%.

The amendment was not clear as to whether the return was to be determined before or after taxes. Arguing that the return might be determined after taxes, J. McG. Stewart, K.C., counsel for the company, told the House Committee, the Government should go ahead and take over the utility as the consumers would save a million dollars in taxation.

Following this incident, a special meeting of the Halifax city council was called and the decision reached to seek authority from the legislature to take over the utility property.

Application was made to the government for enabling legislation. However, Premier MacMillan said that the legislature was about to adjourn and there would not be enough time to give sufficient consideration to the proposed measure.

Halifax's request was deferred. That it will come up at the next session is expected.

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THE COCA-COLA COMPANY OF CANADA, LIMITED

569

Company Reports

Canadian Bakeries

Years Ended Aug. 1	1943	1942
Earn. per share (com.)	$0.06	$0.10
Paid	nil	nil
Working capital	$85,049	$214,609

(Note:—Figures in parenthesis refer to previous year's operations).

Reduction of net profits, due to increased payments of income taxes, to $57,572 ($64,967) is shown by the annual report of Canadian Bakeries. This figure does not include refundable excess profits taxes of $46,346 ($2,251). Operating profit for the year showed a considerable increase to $478,712 ($304,637), from which $268,812 ($77,754) had to be paid out in taxes.

Principal balance sheet changes was a reduction in the company's indebtedness to the Imperial Bank to $66,300 ($293,667). Working capital dropped to $85,049 ($214,609), in spite of an increase in current assets. This was due mainly to a large provision, $230,933, for income and excess profits taxes.

Equipment of the company is wearing out, and a considerable sum of money will have to be spent in replacements, R. W. Ward, president, stated in this annual report. Additions to propery and purchase of new equipment necessitated expenditure of $35,153 during the year, while equipment sold or otherwise disposed of amounts to $31,955.

Wright-Hargreaves

Years Ended Aug. 31:	1943	1942
Earned (pd.) a share	$.35(.35)	$.49(.45)
Working capital	$4,598,752	$4,817,074
Ore reserves, tons	1,150,521	1,185,445
Value per ton	$19.17	$19.34
Tons milled	245,130	316,210
Recovery per ton	$20.57	$19.80
Shares outstanding	5,500,000	5,500,000

Reflecting a decline in production value by $1.3 millions to $4,886,358, Wright-Hargreaves profits showed a further decline to $1,942,852 in the 1943 fiscal year ($2,691,177 in 1942). Despite concentration of work in known ore areas due to the shortage of labor, ore reserves showed a narrow decline as noted above.

Detailed geological study and remapping of vein structures was continued throughout the year. This work, aided by drilling, is continuing to prove valuable both from standpoint of finding ore and in helping correlate and solve geological structures, it is stated.

Treatment of sulphide content of mill tailings in the Lake Shore roasting plant was continued during the year.

Toronto Elevators

Years Ended July 31:	1943	1942
Earn. per share (com.)	$2.19	$4.25
Paid	1.00	2.00
Working capital	$1,116,611	$1,095,413

(Note:—Figures in parenthesis refer to previous year's operations).

Net profits of Toronto elevators for the year ended July 31, 1943, showed a reduction from the previous year to $184,560 ($295,528), which figures do not include refundable portions of the excess profits tax of $91,241 ($4,759).

Operating profits were up to $1,041,279 ($884,075), the reduction in net profits being the result of higher taxes.

Current year promises to be one of unprecedented demand for feed grain, G. C. Leitch, president, states in his report. It is estimated, he says, that 100 million bushels will be needed in eastern Canada, and must come principally from the western provinces. Most of this grain will move directly to country points through regular trade channels, while a substantial reserve is being built up in eastern elevators.

New High in "Master Feeds."

Highest point in the company's history was reached in the sale of its products, "Master Feeds," and this in spite of many difficulties encountered in obtaining supplies for manufacture of the company's complete feeds and concentrates. Facilities for extracting oil from soya beans and linseed have been enlarged and further plans are under way to double capacity.

Inventory holdings were reduced nearly 50% during the year, while accounts receivable on future sales increased to $1.6 millions ($384,732), with grain held as collateral. Holdings of Dominion Government bonds are at $660,000 ($50,625) and City of Sarnia loans are shown at $276,729 ($324,689).

Alta. Pacific Grain

Years Ended June 30:	1943	1942
Earned on preferred	$0.16	$7.02
Working capital	$2,788,744	$2,367,585

Alberta Pacific Grain Co. reports consolidated net profit of $4,798 in the year ended June 30, as against $210,509 the year before. While operating profit was off sharply, the poor showing in net profit was due to charging off $121,374 for loss on sale of investments and further increase in depreciation reserve.

Consolidated balance sheet as at the end of last June showed inventories substantially higher, with corresponding increase in bank loans. Cash and marketable securities also increased, while bonded debt and special loans were reduced.

In his report to shareholders, H. E. Sellers, president, says the agreement to sell the company to Algoma Grain Securities has been approved and as soon as possible steps will be taken to distribute the net proceeds among the shareholders, with a view to surrendering the company's charter.

Guaranty Trust Makes Niagara Loan Offer

New offer to purchase assets of Niagara Falls Loan & Savings has been made to its shareholders by the Guaranty Trust Co. of Canada.

This provides for payment of $10.25 a share upon acceptance of the offer. Letters of acceptance may be deposited with the Guaranty Trust until Nov. 15, the time to be extended at the discretion of the company.

To become effective the offer requires acceptance of two thirds of the paid-up capital of the company and two thirds of the shareholders.

Under a previous offer of $9.25 a share 63.83% of the shareholders, voting 51.8% of the total shares, were reported in favor of the transaction. A two-thirds vote on each count is required. It was claimed in a minority report signed by W. R. Sweeny, representing the Guaranty Trust Co., that in his opinion a correct interpretation of the ballots would have led to a sufficient count in both cases.

N.B.'s Big Potato Crop Is Valuable This Year

Record-breaking Crop Harvested Will Ease Shortages in Other Provinces and Brings Prosperity to Growers

From Our Own Correspondent

SAINT JOHN.—New Brunswick is Canada's best hope of averting another potato shortage such as that which developed last winter.

While poor potato crops are reported by most provinces, including Quebec and Ontario, New Brunswick has the greatest crop in history. It will amount to eight million barrels and the value, estimated on the basis of ceiling prices, will reach $20 millions.

Growers here increased their potato acreage around 25% last spring. Nature took a hand and increased the yield per acre by an estimated 50 to 60%. Average yield in New Brunswick is placed at 150 barrels to the acre, and the quality of stock has never been so good.

Anticipating a short supply in the central provinces, buyers for the big food firms have been travelling through the N. B. potato belt, placing orders for all they can get. One man, representing a national chain store, has been trying to contract for delivery of 25 to 50 carloads of potatoes a week.

Latest figures showed 2,000 carloads of potatoes shipped west from this province so far, at a time when less than half this quantity is normally shipped. In coming months shipments will likely reach 10,000 carloads.

Nova Scotia Buying

Meanwhile Nova Scotia is buying heavily in New Brunswick, having had a crop failure in many sections. Buyers from N. S. seek hundreds of carloads for plants which are dehydrating potatoes for the armed forces overseas. They are competing in the market with buyers from New Brunswick's two dehydration plants, and only the rigid application of ceilings holds prices down to the present level of $2.40 a barrel.

N. B.'s commercial potato industry—this has for years been the biggest surplus producing province—follows the upper reaches of the St. John River, paralleling the famous potato belt in the State of Maine. The biggest growers cultivate several hundreds of acres each. Hon. Fred W. Pirie, N. B. Minister of Lands and Mines, grows 1,500 acres of potatoes at Grand Falls—around 225,000 barrels this season.

The potatoes are dug by machines, tractor-drawn machines on extensive operations, but they have to be picked off the ground by hand. An experienced picker can pick 100 barrels a day, to earn $12 at the present pay of 12 cents a barrel. One family, father, mother and nine children from 19 down, earned $936 in 16 days.

Money has never flowed more freely in the potato belt, where prices went as high as $12 a barrel in the last war only to nosedive to 10 cents a barrel during the depression. But it is not being wasted. It is going to pay off mortgages—the growers who did not mortgage their properties to the hilt in the 10 cents a barrel years were few and far between—and it is going into dental treatment, new eye glasses, repairs to buildings, improvement of livestock herds and things like that. A lot of it is also going into victory bonds.

As one farmer told The Financial Post: "We have learned our lesson in this part of the country. We had to pull our belts in awful tight during the 30's and we remember it. We aren't spending the way we did in the potato boom of the last war."

Storage space for potatoes is at a premium. Every potato house is crammed full and 100 new potato houses have been built recently in two counties alone, Carleton and Victoria. These structures, banked with earth at the sides, hold around 5,000 barrels each, although there are large ones like that of H. H. Hatfield, M.P., at Hartland, which hold 15,000 barrels.

Farmers have potatoes stored in their attics and cellars and even in their living rooms in some villages.

They also have barn floors piled high with potatoes that will have to be shipped before heavy frost sets in. There is danger that a sudden cold snap will cause losses running into hundreds of thousands of dollars.

Across the border, in Maine, state road machinery is busy digging deep pits in which potatoes for which there is no other storage will be buried for the winter. Nothing of this kind has developed yet in New Brunswick.

Preston Shows Higher Recovery

Third quarter production of Preston East Dome Mines showed a decrease in gross bullion production and operating profit when compared with the same period last year, but the recovery per ton was somewhat higher. Figures are given below:

Oper. Results—Quarters Ended Sept. 30	1943	1942
Bullion prod.	$495,224	$676,369
Less: Mkt. costs	5,559	7,331
Net recovery	489,665	669,038
Less: Oper. & admin.	328,305	428,039
Oper. profit*	161,360	240,999
Prod. per ton (app.)	$9.25	$8.35
Tons milled	53,817	80,915

*Before depreciation, taxes and other write-offs.

Canadian Fairbanks-Morse has declared an extra dividend of 50 cents a share on the common stock, as well as the regular quarterly dividend of 25 cents both payable Dec. 1 to shareholders of record Nov. 15.

These declarations bring dividends for 1943 up to $1.50 a share. Last year the company paid $2.25 a share, one dividend of 25 cents and another of $2 a share. In 1941 payments were $1.50 a share, or the same as this year.

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A POPULAR PUBLICATION

Canada Fulfils Promise To Supply U.S. Paper

Paul Kellogg, Acting President of Newsprint Assoc., Says Current Shipments 16% Over 1939 in Answer to Criticisms of Publishers

From Our Own Correspondent

MONTREAL.—Canada will ship this year nearly 350,000 tons of newsprint to the United States in excess of what was shipped in 1939, or 16% over shipments in that year, says Paul Kellogg, Acting President of the Newsprint Association of Canada, in an open letter to Linwood Noyes, President of the American Newspaper Publishers Association. These shipments also will be 231,000 tons, or 10% over the average amount shipped in the five pre-war years, he added, in answering criticisms by some American publishers to the effect that Canadian newsprint manufacturers have failed in their obligations to their customers on the other side of the line.

In his letter to the President of the ANPA, Mr. Kellogg says that he is concerned not only because of apparent lack of appreciation of the efforts being made by the Canadian industry to keep up newsprint shipments, but chiefly because these criticisms show such a complete disregard, or lack of knowledge of the actual facts of the case.

Do Better Than Others

In pointing out that this record is being accomplished in Canada's fourth year of the war, the Association head draws attention to the fact that United States mills in 1943 will ship 146,000 tons, or 15% less than in 1939, and 97,000 tons, or 11% less than the average in the five-year pre-war period.

Newfoundland, on the other hand, he says, again will ship a considerable excess over 1939 and pre-war, but tonnage is comparatively small because of limited capacity.

Letter to Noyes

In his letter to Mr. Noyes, Mr. Kellogg said in part:

"I am taking advantage of your expressed friendly attitude toward Canada to set forth very clearly in this open letter what are the facts of the United States newsprint supply to date.

"At the close of this letter there are three statistical tables taken from data published in the press and released jointly by the ANPA and by the Newsprint Association of Canada. I have used figures to the nearest thousand of tons to illustrate what I have in mind. In the first table, I have shown shipments by country of origin into the United States market in the years 1943, 1942, 1939 and the average of 1935 through 1939. It should be remembered that 1943 is Canada's fourth year of the war although only the second year of the war for the United States. The year 1939 is taken as the last year of open shipment; 1935 to 1939 is taken as a five-year pre-war average during which time normal deliveries were unhampered. For 1943 I have taken the actual shipments for nine months and extended these at the same rate to twelve months. I know this is logical for Canada because the Newsprint Administrator has committed the industry to continue shipments at current rates through the rest of the year and I presume the method may be used equally accurately for the other sources of supply.

Doing Big Job

"Consider now the second table labelled, 'United States Supply in 1942,' and note the following startling figures:

"Shipments from Canada in its third year of the war, when the drain on manpower was relatively as great as it will presumably be in the United States in 1944, still were 617,000 tons over its shipments in 1939 and 500,000 tons over its shipments in the average of the five pre-war years. In percentages, these are 134% and 122% respectively of pre-war shipments.

"Newfoundland shows an even larger percentage increase but because of the limited capacity of the Newfoundland mills the actual additional tonnage shipped to the United States was in the neighborhood of 100,000 tons. Overseas sources of supply, of course, are completely dried up.

"The United States mills failed to ship the tonnage delivered in 1939 by 9,000 tons but were 40,000 tons over pre-war shipments, or 104%. In other words, Canada alone was able to more than double the loss of shipments which was sustained by United States publishers who had previously chosen to buy from overseas markets.

Answer to Critics

"Now look at the same figures for 1943, shown in the third table. This is a year when Canada has been, according to some critics, restricting, limiting, cutting down, deliberately holding back, and otherwise penalizing the United States publishers. Canada will ship this year nearly 350,000 tons to the United States in excess of what she shipped in 1939 or 16% over shipments in that year. These shipments will also be 231,000 tons, or 10% over the average amount shipped in the five pre-war years. Recollect that this is Canada's fourth year of the war. United States mills in 1943 will ship 146,000 tons, or 15% less than in 1939, and 97,000 tons or 11% less than the average in the five-year pre-war period. Newfoundland again will ship a considerable excess over 1939, and pre-war, but again tonnage is comparatively small because of limited capacity.

"This evidence of the reliability of Canada as a source of supply is so plain that I wonder anyone looking at it can fail to realize the true situation.

Help in Other Ways

"In addition to this volume of newsprint, Canada has been supporting the pulp and paper industry of the United States. I understand that Canadian shipments of pulp to United States mills in the year 1943 will be close to 1.3 million tons or more than double the tonnage delivered pre-war. Exports of pulpwood for manufacture into pulp and paper in the United States in both 1942 and 1943 will also substantially exceed exports in 1939 and in the period 1935-1939.

"You may be assured," said Mr. Kellogg in conclusion, "that the Industry will continue to do its utmost to hold this position of reliability which it deserves as illustrated by these figures. It is true that during the last year we have been able to continue deliveries at the current rate only by sacrifice of our pulpwood reserve inventory. We now have no pulpwood reserves to use for our customers, but no matter what may be the degree of curtailment in 1944 I think you will find when the year ends that Canada will be found to be its usual reliable source of supply for United States publishers. It is gratifying to Canada that so many United States publishers, through the medium of their long term contracts, have expressed their confidence in the reliabibity of our industry as a source of their newsprint supply."

SHIPMENTS INTO UNITED STATES MARKET
(In thousands of tons)

	*1943	1942	1939	Average 1935-1939
From Canada	2,542	2,811	2,194	2,311
From Newfoundland	144	196	87	100
From United States	796	933	942	893
From Overseas	0	0	294	257

*Shipments for first nine months extended to twelve months.

U. S. SUPPLY IN 1942

	Tons Received in 1942: Over or Under 1939	Over or Under 5 years pre-war	1942 Receipts as a percentage of: 1939	5 years pre-war
From Canada	617,000 over	500,000 over	134%	122%
From Newfoundland	109,000 over	96,000 over	224%	195%
From U. S.	9,000 under	40,000 over	99%	104%
From Overseas	294,000 under	257,000 under	0%	0%

U. S. SUPPLY IN 1943

	Tons Received in 1942: Over or Under 1939	Over or Under 5 years pre-war	1943 Receipts as a percentage of: 1939	5 years pre-war
From Canada	348,000 over	231,000 over	116%	110%
From Newfoundland	57,000 over	44,000 over	165%	144%
From U. S.	146,000 under	97,000 under	85%	89%
From Overseas	294,000 under	257,000 under	0%	0%

The Shareholder

Standard profits can now, for the first time, be estimated with reasonable accuracy from the balance sheets of companies whose year ends on or after June 30, 1943. These statements are the first in which a full year's operations under the 100% excess profits tax with 20% refundable are reported on.

In most cases, calculation of standard profits can now be effected on the basis that no company can show net profits of more than 70% of standard under the present levy. There are, however, exceptions to this that make the calculation less simple.

Some companies charge more to depreciation and other reserves than the limit permitted by the tax authorities, with the result that reported net is below 70% of the standard profit. In other cases, dividends from other companies (not taxable in the hands of the recipient company since they were already taxed in the paying company) are included in net so that the net is larger than 70% of standard earned profits.

The 20% refundable acts as a check against these possible inaccuracies, and in the table below, only those statements which satisfy this check, or on which some explanation is available have been included. Nanaimo-Duncan Utilities, for example, states its standard profits in the annual report.

	Net Profits 1943	Indicated Standard Profits
Canadian Bakeries	$57,572	$82,200
Canada Bread	230,878	350,000
B. Greening Wire	126,668	181,000
National Steel Car	818,973	1,170,000
Nanaimo-Duncan	57,466	101,662
Ontario Steel Prods.	*87,793	108,000
Toronto Elevators	184,560	263,600

*Includes $11,869 investment income.

CIL Reports Sales Up But Net Turns Down

From Our Own Correspondent

MONTREAL.—Sales of Canadian Industries Ltd., for the first nine months of 1943 were slightly higher than in the like period of 1942, though operations of the company have been more affected this year by direct military demands than at any time since the outbreak of the war.

Net profits this year, says the company, have continued the downward trend in evidence since 1939 and are not expected to exceed those of 1942. Production costs have increased materially and the added expense resulting from intensive utilization of equipment and from postponed maintenance is now reflected to a marked extent in costs.

In contrast with the years prior to 1940, the company reports, it is no longer possible to install the most up to date and efficient equipment for civilian goods production. Furthermore, the larger volume of business has been the only factor which has helped to offset the effect of price ceilings and higher costs of manufacturing.

Completion of the necessary plant facilities has enabled C.I.L. to undertake large scale production of certain synthetic materials required to replace some raw materials whose supply has been curtailed by war. An example of this is nylon, replacing silk, which is being produced in considerable volume from the company's new plant.

In addition, not only has experimental and development work resulted in entirely new uses being found for many of the company's peacetime chemicals, but other products have been made to perform new functions. Sales for direct war purposes have, as a result, increased this year.

There has, on the other hand, been a reduction in demand from consumer goods industries for a wide range of chemicals. Moreover, certain sections of the company's business have been unfavorably affected by curtailed supplies of raw materials and imported chemicals.

D. I. L. Near Peak

In Defence Industries Ltd. the huge construction program undertaken on behalf of the government has been virtually completed and the critical stage in supplying many military chemicals and explosives has been overcome.

Although total output of D.I.L. has been expanded substantially over 1942, extensive changes in military requirements make fluctuation inevitable in the output of individual units. A certain amount of flexibility has been achieved, making it possible to concentrate the available productive resources on those products which are most urgenty needed.

Although the value of output of military explosives, chemicals and small arms ammunition from plants owned by the government and operated by D.I.L. is several times greater than the value of the sales of the parent company, net income of D.I.L. continues to represent only a small percentage of total earnings of Canadian Industries Ltd.

Seagrams Buys U. S. Interest

From Our Own Correspondent

MONTREAL. — Distillers Corp.-Seagram's Ltd. is reported to have completed arrangements for purchase of Frankfort Distilleries Inc., of Louisville, Ky., fifth largest liquor enterprise in North America, for a consideration of $42 millions. Officials of the company neither confirm nor deny the deal.

National Distillers' Products Corp. and Schenley Distillers Corp., two of the "Big Five" distillers, were reported to have been actively interested in the purchase of Frankfort Distilleries, but were outbid by Distillers Seagram.

Frankfort, makers of Four Roses and Paul Jones' whiskys, as well as other brands, is reported to have inventories of 350,000 to 450,000 bbls. of bonded whiskey which will bulk large from a distributing standpoint now that all distilleries in the United States and Canada have been converted to the production of industrial alcohol for war purposes.

Annual sales volume of Frankfort is believed in trade circles to be in excess of $100 millions, but no reports are available as to the earnings and assets since the property has been closely held and has no securities outstanding with the public.

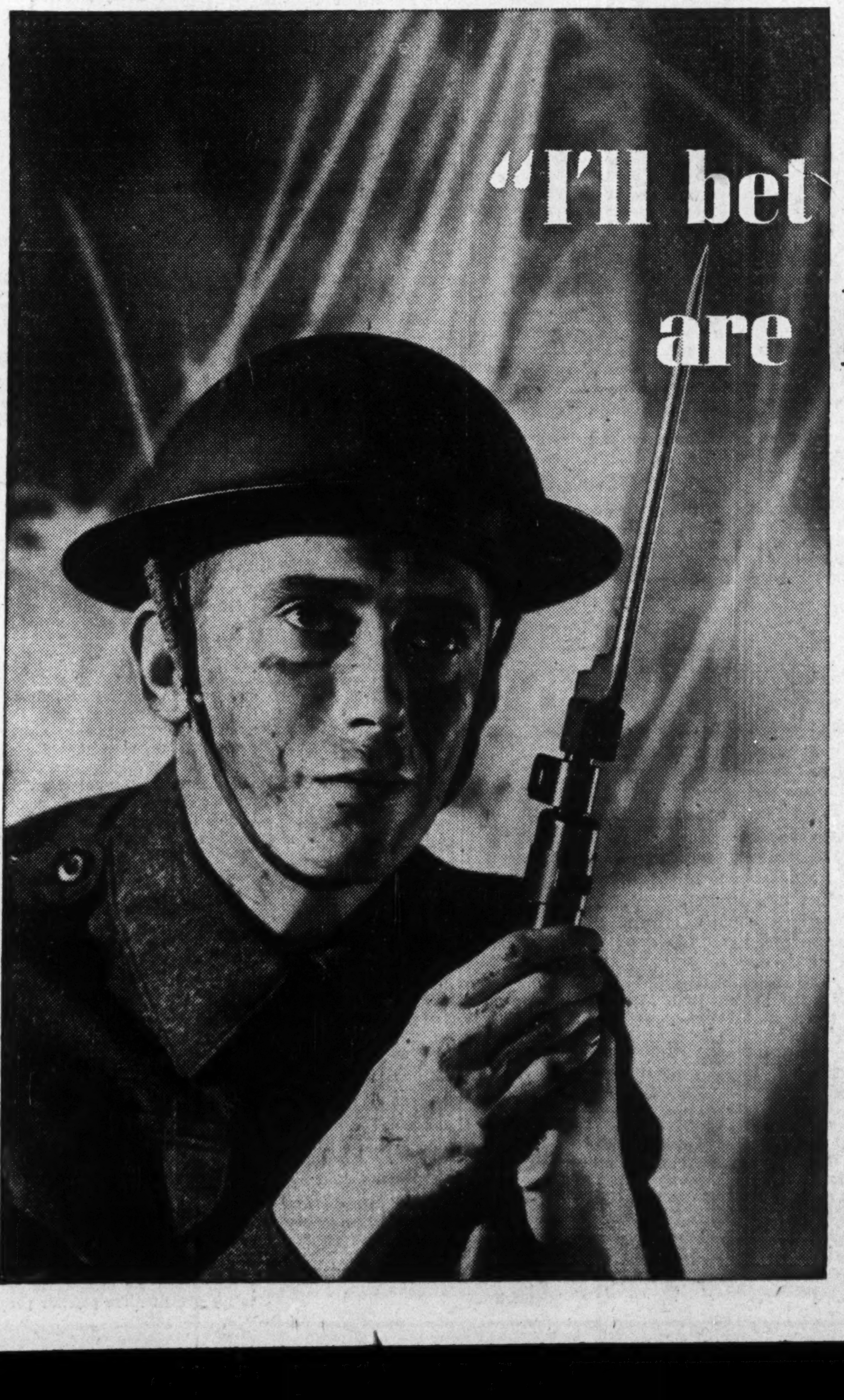
C N R Extends Revenue Gain

From Our Own Correspondent

MONTREAL. — Operating revenues and net income of Canadian National Railways all-inclusive system continue to rise, September returns indicating an advance in gross of $3.1 millions and an increase in net revenue of nearly $600,000 over the like months a year ago.

For the first nine months of the current year operating revenues reached the record figures of $326.9 millions, a gain of $56.1 millions over the same period a year ago. While operating expenses increased $46.7 millions, net revenue at $72.1 millions, shows an increase of $9.3 millions.

	1943	1942
September		
Oper. revenues	$36,946,000	$33,860,000
Oper. expenses	27,521,000	25,028,000
Net revenue	9,425,000	8,832,000
Aggregate to Sept. 30		
Oper. revenues	$326,949,000	$270,827,000
Oper. expenses	254,831,000	208,066,000
Net revenue	72,118,000	61,761,000



"I'll bet the folks back home are buying Victory Bonds in a big way again–

THE last thing Dad said to me was—'We're going to see you right through to Berlin, son.' . . . Well, we're going places now. . . The stuff we need takes a heck of a lot of money but we can count on the folks back home."

The Fifth Victory Loan is our opportunity to make good on our pledges of full support. Buy with an all-out effort,—the way our boys fight. Let's help them deliver a knockout blow NOW!

THE LONDON LIFE INSURANCE COMPANY

The Editorial Page . .

Government War Plants

Each day brings us nearer to the end of the war and the stupendous problem Canada and every other country faces, in getting our economy geared again to peace. Yet in regard to one of the first and most serious problems that must be solved, the disposal of government war plants, there has been practically no official explanation. Until that is forthcoming the industrialist, the worker and almost every businessman is utterly unable to make definite postwar plans.

An official statement is due and as the Montreal Gazette points out "it should come as definitely and unequivocally from a responsible spokesman at Ottawa as did the recent U. S. declaration by Jesse H. Jones, U. S. Secretary of Commerce."

Three main points were stressed by Mr. Jones. First, that the government should "get out of active industry as soon as it can." Second, that "local people should have first call on such plants," but that a good deal of plant equipment could be sent to aid in reconstruction of foreign countries. Third, that business must "recognize the taxpayers' investments" when seeking to purchase plants and "not expect too many bargains."

It will not do to plead that we must first win the war before facing the problems of reconstruction. To follow such a course we are simply courting grave trouble in the period immediately following the victory. Plans must be made now for providing a million new jobs. Through private initiative those jobs can be provided but only if we know what sort of an official economic policy Ottawa is prepared to follow.

Unions, Teachers and Policemen

Two pieces of strange news have come out of British Columbia recently. The first is a recommendation at the Vancouver city council to sign a collective bargaining agreement for a closed union shop with a Civic Employees' Association. The second is a report that the British Columbia Teachers' Federation will link itself with the Trades and Labor Congress of Canada. Few people, we predict, even from within the ranks of union labor itself, would agree with either of these steps.

Problems, scope and functions of teachers and other civic employees are so utterly different from those of members of the average labor union that there is no natural reason why either should affiliate. It is not a case of the former being orphans, they have their own strong organizations and an abundance of spokesmen, and while there may be something of the old craft or guild idea about teaching, there is practically none so far as other civic employment is concerned.

But the most preposterous part of the whole thing is the assumption that a yardstick can be devised to measure a type of service that in actual practice cannot be measured. The development of the child's intellect is not a standard process like laying so many bricks or welding so many ship plates. The job of a policeman or fireman is not one to be measured in hours or the number of criminals caught or fires subdued.

Shaw Unmasks Socialism

One of Britain's outstanding socialists has just said things about socialism which every Canadian ought to know. The Financial Post and others have been saying the same things. We get scolded for stating truths clearly brought out by Mr. Shaw.

Bernard Shaw's current article in the New Statesman and Nation is deadly serious. Presumably, it is designed to help the socialist cause everywhere.

Mr. Shaw wants to abolish the British Parliament or at least reduce it to a debating society. The country would be run by "qualified people." Universal suffrage, Mr. Shaw finds, makes democracy unworkable.

"The world is round," Mr. Shaw says, "and the extreme left is the old right with its nonsense and corruption cleaned off."

To which Canada's Bruce Hutchison replies:

> "I can imagine no clearer description of socialism in action. It is the extreme right, a few people dominating everybody else—in plain terms, a dictatorship. This is not the statement of a bloated capitalist. It is the statement of the most distinguished socialist writing in the English language today. And, of course, it is beyond question true.
>
> "But Mr. Shaw defends his dictatorship of the extreme left by saying that it would get rid of all the 'nonsense and corruption' of the extreme right. We are asked to accept Mr. Shaw's kind of dictatorship because it would be sensible and incorruptible dictatorship. We would surrender our freedom, but only for our own good.
>
> "Surely Mr. Shaw does not suggest that this is a new idea. Every dictator in history, from Pharoah to Hitler, has said the same thing."

The supreme and unquestionable fact about democracy is that it is the only political system whereby the governed can change their governors in an orderly manner and without bloodshed—can change them for good reasons or for no reason. And again to quote Mr. Hutchison.

> "We claim for it (the democratic system) something else and much more important which doesn't interest Mr. Shaw and the real socialists in the least. We claim for it that we can be more free as individuals under it than under any other system. We can live the lives we choose and not the lives chosen by our betters. Whereas Mr. Shaw proposes to make us live better even if we don't want to. He proposes, in fact, a world dominated, directed and pushed around (always for its own good) by superior men like Mr. Shaw.
>
> "It happens that most of us would not enjoy a world run by men like Mr. Shaw. The extreme left, when it finally emerged, might turn out to be not half as decent as Mr. Shaw. It might even liquidate Mr. Shaw and the superior men."

Canada's socialists may be willing to entrust their freedoms and the freedoms of their children to Mr. Coldwell. But are they willing to put supreme trust in the men around Mr. Coldwell and his successors.

The Canadian socialists currently talk of milk and water versions of socialist gospel. They try to make it sound as if their coming to power means nothing but a change of government—of course, for the better.

What their leaders know and their adherents should know is that, by the very nature of socialism, the very nature of the system it would replace, a socialist government would find itself irrevocably forced on and on. Every single socialistic move requires one, two or a dozen more.

Municipalities Handicapped

The main battle ground of Canada's constitutional question is between the Provincial and Dominion Governments. But for business, for our ability to take advantage of our full economic potentialities, the main reform area lies in neither of these governments but with the municipalities, now under provincial control.

In aviation, for example, scarcely a municipality on the continent has been able to provide its citizens with adequate airports located where they are needed. It is the rule rather than the exception for civic airfields to be located so far from the business centres that the traveler often spends more time taxiing to and from airports than he does in the air.

Unless helicopter cabs are accepted as a near-term possibility, the obvious solution lies in clearing ground for an airport at or near the centres of the larger municipalities. Only by so doing will tomorrow's city gain full advantage from the speed-up in travel and business tempo that aviation has made possible.

But what city could afford to carry out such a project? The land for the ideal airport would have to be taken not from the region with lowest assessment, but from what is currently the most highly valued business property.

Provision of airports is only one facet. What municipality can afford a truly adequate program of slum clearance and rebuilding? How many cities can afford highways within their boundaries a fraction as good or efficient as those which span the open country?

Most of the major improvements, most of the major spending to be done after the war will lie within the jurisdiction of municipal governments. Under present conditions, the municipalities could not begin to cope with the task that lies ahead of them.

No Wholesale Honors Wanted

The greatest care will have to be taken in awarding the new Canadian decoration or the authorities will find that they have only added to their troubles through this innovation on the road to nationhood. Some months ago The Post asked a wide range of informed Canadians whether they thought Canada would adopt an award of its own.

The answers were significant. Fifty per cent favored such a course, 45% were opposed and 5% were undecided. On one point, however, all were agreed and that was that if such action was taken then the decoration should be awarded sparingly and only after the most serious investigation by an impartial body. Like the best things in life praise ceases to be valued, if ladled out indiscriminately.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Fundamentals of an Economic Postwar Policy

Recently before the Economic Club of Detroit, Alfred P. Sloan, Jr., chairman of the board of General Motors Corporation outlined his views on an economic postwar policy for the United States. Because of the close connection between that country and the Dominion it will be of interest to Canadians also. Below is a digest report of the speech with some direct quotations as indicated.

United States can never again afford to risk the stability of its institutions by permitting a 50% use of her economic resources with millions of people unemployed and more millions working part time.

The problem can be solved permanently only within the structure of sound economic policy. Dynamic and imaginative leadership will be required, but if the enterprise system fails to meet its responsibility, political action, which can never solve the problem, will be demanded.

The government's duty is to lay down national economic and fiscal policies which will permit getting the job done. To handle the employment problem new products must be developed and existing products must be produced at lower prices.

Commenting on current postwar planning, Mr. Sloan referred to "Stratosphere Planning which attacks the problem from the top and is the planning of the spenders, and Sea-Level Planning which attacks the problem from the bottom and is the realistic approach." Mr. Sloan said there is too much of the former and too little of the latter.

"We should, therefore, start to segregate and discuss our postwar problems, and now; not in generalities, but in concrete terms."

"The most vital question that faces our economy because of its long-pull implications is whether we can continue to maintain a rising national income with expanding job opportunities after the deferred accumulated demands for goods have been satisfied," Mr. Sloan said.

> "The answer involves five major points.
> 1—The policies of government toward enterprise.
> 2.—The intelligence with which enterprise conducts its affairs, not only as to itself, but in relation to the economy as a whole.
> 3.—Relations of business with labor.
> 4.—The success with which inflation is controlled during the war and particularly during the period of shortages.
> 5.—Foreign relations as affecting international commerce."

Declaring that there is widespread confusion as to the employment problem, Mr. Sloan said that the number of jobs cannot be determined by abstract, arbitrary methods. "They are a result of the combination of capital, management and opportunity, therefore the future trend of job opportunities is determined by the relationships of the component parts."

Relative to the maintenance of a free economy in the light of the country's large wartime plant expansion, Mr. Sloan said: "What could be more helpful than declaration of policy that, aside from such plants as might be needed as a stand-by for the future, the balance would be made available to private enterprise? Industry could then, where possible, integrate such plants into its postwar planning, thus placing them in productive use in the shortest space of time and expanding the number of job opportunities."

What is the responsibility of government in maintaining a field of maximum opportunity? Mr. Sloan answered:

"We can well start from the highly important question of taxation. It can hardly be denied that our revenue policy, as judged by its pre-war structure, was a hodge-podge of inconsistencies resulting from emergency demands, compromises and political expediency.

"We should find a satisfactory substitute for the existing system. The profits of business corporations should be taxed but once. That means that business taxes should be reduced sharply to nominal rates, to encourage expansion of enterprise. Also there must be sharp reductions in the taxes on individual income when the war is over and rates established which are not confiscatory from the point of view of prejudicing the incentive profit."

On the question of labor, Mr. Sloan said that "Both sides should be treated as equals in relation to their responsibilities and privileges. Every right-thinking businessman should support the principle of collective bargaining. But, recognizing the great gains in privileges labor is now enjoying, there must come a corresponding degree of responsibility for its acts. No man should be required by law or as a matter of national policy to pay for the privilege of having a job." Mr. Sloan said that the belief that increasing wage rates increased purchasing power was not correct, if the result was to increase costs.

On the importance of incentives Mr. Sloan said "that men are not created equal in their willingness to work or their ability to produce effectively. Those willing and able to produce more should be given the opportunity to earn more. Speaking in generalities, the economic result would be to lower costs and prices hence expanding job opportunities."

Cartoon by Grassick.

POOR SORT OF ADVERTISING FOR CANADA

Post-Scripts . . . .

$50 Millions Cheque

A few weeks ago, a young Canadian businessman telephoned a high official in Washington. He said: "I have a cheque for you for $50 millions. May I come over"?

MR. PEERS
—*Harris and Ewing.*

Since $50 millions cheques don't exactly grow on trees, by the time he arrived in the Washingtonian bigwig's office, there were top-flight officials on hand for the big event. Someone suggested a photograph but it was decided (just why we do not know) not to have any publicity.

Had there been publicity given to this epoch-making event, the world would have known that the Government of Canada through its Washington agent, Roy G. Peers, general manager of War Supplies, Ltd. was keeping part of a long-standing contract with the United States, not to make any profit on American war contracts handled directly by government-owned plants.

After Hyde Park when the U. S. Government started placing orders in Canada for war materials and supplies, Canada made it clear that any margin of profit which might eventually accrue to the Government of Canada as a result of these contracts would be returned to the United States.

The big cheque mentioned is the first of these returned profits.

If there are more however to be handed back in Washington it will not be Roy Peers who will do the job. A few days ago it was announced that he had resigned his job as general manager of War Supplies Ltd. to become liaison officer between the Chinese War Supplies Agency and the Canadian Government. This means that Peers will become a sort of personal "alter ego" in Canada for China's brilliant Foreign Minister—T. V. Soong.

This agency, a purely Canadian affair, headed for China by a Chinese ordnance officer, Major General Piao Kiang. It will be responsible to Foreign Affairs Minister Soong but operated quite separately from the parallel organization (China Defense Supplies, Inc.) which has its headquarters in Washington. It has plans for a closer liaison between China and Canada not only to meet the imperious needs of the war emergency but to bridge the gap during reconstruction and pave the way for greatly extended trade between the two countries in the future.

Roy Peers (like his father before him) is a salesman. His father and Pat Burns were one of the first men to be interested in exporting cattle from Canada to Britain. Roy himself was born in England during one of his father's business trips. Subsequently his father died and the family moved to Canada and settled at Toronto.

Peers' first job was selling stationery. Then he got interested in textiles. In the early 30's he went with Dominion Woollens & Worsteds in charge of sales for the knitwear division. When that department closed down in 1938, he sold life insurance for the Manufacturers Life and broke at once into the top-flight production club. That lasted till January, 1940, when he got a call from his friend David Dick to come to Ottawa and trouble-shoot for the rapidly-growing Department of Munitions and Supply, then trying to clothe an army in double quick time.

That lasted until the Hyde Park declaration, April 21, 1941. The same morning Roy Peers got a telephone call from E. P. Taylor to come with him to Washington and help implement this famous agreement. They got to work to form War Supplies, Ltd.—a company which has since sold something close to a $1¼ billions of supplies and equipment to the U. S. Government and to which Roy Peers was named general manager when Taylor subsequently joined the British Supply Council.

Roy Peers' enthusiasm for Canada and Canadian industry has been matched only by his ingenuity for finding ways of convincing U. S. authorities that Canada could and would deliver the goods. Latterly he has also been executive director of the Canadian section of the Joint War Production Committee. That's why he earned the right to deliver a $50 millions cheque in Washington.

• • •

Pioneered Bus Transport

Heavy-set, keen, affable Raymond George "Bill" Perry brings to his new post as president of Dominion Motor Coach Association, a quarter of a century experience in the motor bus field. In fact, this 46-year-old operator can be rated as an old-timer in a field which over the past 15 years has developed into a highly important branch of surface transport.

Perry has grown up with the business. Born in Montreal, he attended Montreal High School. From there he went to Stanstead College, ending up with the Milwaukee Engineering Institute.

His first job was with the J. I. Case Company at Racine, Wis. Then he switched to Mitchell Automobile, also at Racine. It is possible that we would have continued to live in the States and to carve out a career for himself in the American automobile field had not the war come along. In 1915 he decided that he had better "get into it." Losing no time he went to London where he enlisted with the 33rd Battalion, a reinforcement unit for the famous Princess Pats.

Following his return from overseas, Perry went back to the automotive business, first linking up with the White Motor Truck Co., and then with Gotfredson Motor Truck.

By this time highway bus traffic was starting to go places. Passenger cars were being converted into buses. Routes were being opened up on regular schedules. Competition was keen, bankruptcies frequent. But with the extension of good roads, improvement in equipment, etc., Perry saw an opportunity in the new field of surface transport.

In 1927 he made the jump, joining up with Colonial Coach Lines in Toronto as passenger traffic manager. He did such a good job there that in 1933 the parent company, Provincial Transport Co., brought him to Montreal as passenger traffic manager for the whole system.

Since his association with Colonial, Bill Perry has seen Provincial Transport develop into the largest inter-city bus operator in the Dominion, operating more route miles than any other line and, since the war started playing a vital role in providing transport service to war industries within a radius of 50 miles of Montreal. Perry's contribution to this development is reflected in his election as a director of National Bus Traffic Assoc., Gray Line Sightseeing Ass'n. and the Ontario Motor Coach Association of Operators. In addition he is chairman of the Interurban Bus Advisory Committee.

While he has contributed much to the development of the bus industry, Perry is not one of those people who believe that the "bus" should be tied down to the highway. With several associates, he has formed Inter City Airlines Ltd. for the purpose of operating short-haul, feeder lines by means of the helicopter. This company has taken out a Quebec charter and plans to do likewise in Ontario.

The helicopter service is still in the future, but when it arrives the bus operators intend to have their place in the "Age of Flight." It is this aggressive, far-sightedness of Perry which appeals to other bus line operators and influenced their election of him as president of the Dominion Motor Coach Assoc. at a time when the industry is beginning to lay plans for the postwar period.

Heads Ontario Mayors

W. Garfield Case, Mayor of Owen Sound, and re-elected last week president of the Ontario Mayors' Association, has been in the public eye for several years. He is intensely interested in municipal affairs, and has dabbled into provincial and dominion affairs to some extent. He is of United Empire Loyalist stock, with his ancestry going back to Yorkshire, England.

MR. CASE

Case was born on the 120-year-old family farm in York County. He was educated at the public and high schools at Aurora and the Ontario Agricultural College at Guelph. In the first Great War he went overseas with the First University Contingent, which unit later provided reinforcements for the famed PPCLI. Later he switched to the old Royal Flying Corps, predecessor of the RAF, and was discharged in 1919, with 50% disability.

Prevented from serving the armed forces this time he has associated himself with war loans and similar activity, being at present Victory Loan chairman for the City of Owen Sound, and vice-chairman for the County of Grey.

Following his discharge from the army in 1919 he joined the Saskatchewan Grain Growers' Association. Some time later he returned east and was for a time employed with Dominion Stores. Then he switched to life insurance and since coming to Owen Sound 12 years ago has been branch manager for the North American Life.

For the past nine years Case has been intimately identified with the public life of Owen Sound, first on the executive of the Board of Trade, then as vice-president and served three years as president. In 1940 he was elected to the city council, and has been mayor since 1942. He serves on many boards, all of a public character; is first vice-president of the Blue Water Highway Association; a vice-president of the Huronia Historic Sites Association; director of the Georgian Bay Municipal Electric Association, and chairman of the Department of Industries of Owen Sound.

Under Mayor Case's leadership, Owen Sound has set up an important Rehabilitation Committee, having as its object the welfare of the army personnel on discharge; also a postwar planning committee which will plan a program of public works for the City of Owen Sound proper.

Garfield Case expounds the theory that municipal government is the "bed rock of democracy," and he believes that in the world of tomorrow the municipalities will be called upon to play their full part.

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Other People's Views . . . . . .

The Canadian Editorial of the Week

Greatest Test of Fortitude

Edmonton Journal

It cannot be denied that, as the chairman of the national war finance committee, Mr. Towers, emphasized the Fifth Victory Loan's test of Canadian fortitude is greater than that made by any of its predecessors. This is not wholly, or even principally, because the minimum objective is the largest yet set. What has to be guarded against chiefly is the all too widespread feeling that the war is as good as won and that, as a consequence, there is less need than there was to lend the government our savings to the extent it asks.

Those who take that attitude ought to realize how dangerous it is, for victory is still far from assured. Any slackening of effort on the part of the Allied armed forces might easily be fatal. But of this there is not the slightest likelihood, unless the people of their home countries fail to provide them with the means of carrying on the war to the extent that they require. Canadians are under the deepest obligation to their fighting men to buy the bonds now being offered, each to the limit of his or her ability.

The Mail-box . .

Control of Education

I regret that I could not send you an earlier answer to your question: "Should control of education continue to be vested in the provinces?" You are very much to be commended for bringing this most important subject to the fore.

There is much collective wisdom in the replies you obtained and published in your issue of Oct. 16. As some of your correspondents see, there can be provincial control, as at present, but there should be in addition a bureau, or office, of education in Ottawa. The clearest and most forceful statement about the dual aspect of things comes from Professor E. A. Corbett. He sees that the federal institution need not interfere with provincial rights, and wisely points to the experience of the United States in that respect for the last sixty years.

In a great speech by President Roosevelt (to the National Education Association, June 30, 1938), which I have been given permission to quote, occur these sentences:

> "The teachers of America are the ultimate guardians of the human capital of America . . .
>
> "We have believed wholeheartedly in investing the money of all the people on the education of the people. That conviction, backed up by taxes and dollars, is no accident, for it is the logical application of our faith in democracy.
>
> "No one wants the Federal Government to subsidize education any more than is absolutely necessary. It has been and will be the traditional policy of the United States to leave the actual management of schools and their curricula to state and local control.
>
> "But we know that in many places local government unfortunately cannot adequately finance either the freedom or the facilities to learn. And there the Federal Government can properly supplement local resources.
>
> "There is probably a wider divergence today in the standard of education between the richest communities and the poorest communities than there was one hundred years ago; and it is, therefore, our immediate task to seek to close that gap—not in any way by decreasing the facilities of the richer communities but by extending aid to those less fortunate."

Several of the replies you publish do, in fairness, point out that much has already been done in education by the present Federal Government and former governments. None of them, I think, mention the great work of the National Research Council. But our Federal Government has not extended its assistance, or even its attention, to many matters covered by the Washington bureau, and, as Sir Robert Falconer says, the situation brooks no delay.

May I express my cordial approvement of a point raised by my friend, M. Abbé Arthur Maheux? No government, federal or provincial, can do everything. In a famous educational report, many years ago, it was said of one of our provinces: "The apathy toward education strikes one like the east wind." We do need provincial control, exercised through inspectors and so on, and we do need, and need very badly, the attention of our federal authorities to some neglected matters, and much more federal financial support. But we do need in many parts of Canada a change of heart on the part of individual citizens. The Canadian press could do much to disseminate knowledge about what is going on in other countries and to publish criticism when criticism is needed.

Carleton Stanley,
Dalhousie University, President.
Halifax.

Stop Me If . . .

"Honest" Hank Jones was returning answers based upon family history as the medical examiner went through the long list of questions furnished by the insurance company.

He gave his mother's death at 43 of tuberculosis. At what age did his father die? A little past 39. Of what? Of cancer.

"Bad family record," said the doctor. "No use going any further," and he tore up the blank.

Impressed by the lesson that one shouldn't make the same mistake twice, Hank applied for a $10,000 policy with another company.

"What was your father's age at death?" he was asked.

"He was 96," Hank said.

"And of what did he die?"

"Father was thrown from a pony at a polo game."

"How old was your mother at death?"

"She was 94."

"Cause of death?"

"Childbirth."

THIS WAS MY BROTHER
AT DIEPPE,
QUIETLY A HERO
WHO GAVE HIS LIFE
LIKE A GIFT,
WITHHOLDING NOTHING.

HIS YOUTH . . . HIS LOVE . . .
HIS ENJOYMENT OF BEING ALIVE . . .
HIS FUTURE, LIKE A BOOK
WITH HALF THE PAGES STILL UNCUT—

THIS WAS MY BROTHER
AT DIEPPE—
THE ONE WHO BUILT ME A DOLL HOUSE
WHEN I WAS SEVEN,
COMPLETE TO THE LAST SMALL PICTURE FRAME,
NOTHING FORGOTTEN.

HE WAS AWFULLY GOOD AT FIXING THINGS,
AT STEPPING INTO THE BREACH WHEN HE WAS NEEDED.

THAT'S WHAT HE DID AT DIEPPE;
HE WAS NEEDED.
AND EVEN DEATH MUST HAVE BEEN A LITTLE SHAMED
AT HIS EAGERNESS!

—*Mona Gould.*

This moving tribute is by a youthful author in memory of her older brother, Lt.-Col. Howard McTavish of London, Ont., killed on active service with the Royal Canadian Engineers, August, 1942.

◇ ◇ ◇

We print it now on behalf of the Fifth Victory Loan.

◇ ◇ ◇

If all of us in our work at home pause and reflect on the heroism and sacrifices of our forces on every fighting front we surely cannot do less than make our own humble sacrifices, enabling us to buy more Bonds for Victory.

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In Your Opinion—

What About Mixed Farming in West?

The Question: What should, or could, be done now to foster continued expansion of mixed farming in Western Canada after the war?

Unusually heavy response to the question asked and restricted space have made it impossible for The Financial Post to publish more than approximately half of the replies received this week. Due to the importance of the subject, the remaining replies will appear in next week's issue.

Since the war there has been an unparalleled expansion of mixed farming in western Canada to meet an almost unlimited war demand for meat, dairy and poultry products. Hog production has increased four times and heavy gains made in beef cattle, sheep and dairy cattle. At the same time wheat acreage has been reduced almost a third but, due to a big carryover at the beginning of the war, a record crop last year, and the loss of continental European markets, we still have huge supplies of unsold wheat on hand.

Chief advantage of the expansion of mixed, or diversified, farming is that it adds stability to farm revenue.

Chief dangers seen are over-expansion, with lack of markets after the war, and encroachment on that portion of western Canada which produces the finest wheat in the world but, because of its normally dry climate, may be unsuited to livestock.

W. D. Albright

Superintendent, Dominion Experimental Station, Beaverlodge, Alta.

Expansion of mixed farming in the West hinges mainly upon the assurance of dependable returns commensurate with production costs and with relative grain prices. Much depends upon access to neighboring cattle and sheep markets. It would be highly desirable to stabilize all values on a basis of world competition rather than by artificial control in some districts.

Much depends upon provision of farm water supply, in others on development of community grazing. We need more local veterinary services, also pathological and nutritional investigation. Considerable extension is possible through study of field problems of the northern wooded and muskeg soils. Education would help, but would be ineffectual against economic factors.

* * *

J. A. Caulder

President, Dairy Corp. of Canada, Toronto.

Development of mixed farming in the prairie provinces is possible and very necessary. Markets outside Canada must be found and if possible in the United States. Also reduced rates on maximum loaded cars are very necessary as the rates east on butter in particular have always been too high and I think the same is true of eggs and poultry.

* * *

R. J. Dinning

Executive vice-president, Burns & Co., Calgary.

Adequate floor prices must be established on all agricultural products to ensure a reasonable standard of living for western farmers who must be freed from excessive operating costs due to tariff, high interest charges and long rail haul costs.

If Canada is to continue as one unit, federal authorities must recognize the cost of long rail haul east of Winnipeg as a national obligation and not one to be met solely by primary producers in Western Canada. Close control and supervision should be maintained by the Dominion Government over exports of agricultural products, thereby protecting farmers from exploitation.

* * *

James Duncan

President, Massey-Harris Co., Toronto.

Nazi conquest of continental Europe and Japan's partial control of the Pacific resulted in the United Kingdom and other united nations being cut off from many of their usual supply sources of important foodstuffs. This has proved to be the most important factor in the unprecedented expansion in mixed farming so eagerly entered into by our western farmers. It is altogether probable that a demand for diversified farm products will continue active throughout the war and the relief and rehabilitation period which will follow.

What will happen after that will depend pon economic world conditions and policies which cannot be foreseen at present but in which international stabilization of currencies, multilateral trade agreements and an energetic policy of selected immigration will play an important part. Our wheat exports are dependent upon similar factors and, therefore, I strongly favor a continued expansion in mixed farming.

This should be encouraged by strong leadership from Dominion and Provincial departments of agriculture, by farmers making extensive use of available educational and experimental facilities and by fostering calf, poultry and hog clubs, stock shows, etc., with a view to improving quality of stock.

In the final analysis the expansion of mixed farming in the western provinces will depend upon the initiative, adaptability and resourcefulness of individual farmers—as I know them, they will not be found wanting.

* * *

H. H. Hannam

President, Canadian Federation of Agriculture, Ottawa.

We should not take for granted the desirability of continued expansion of mixed farming in western Canada. Such decision depends upon international trade policies and on a national production program adopted in the best interests of the nation as a whole and according to the most economic and wise use of our farm lands.

Perhaps it would be better to encourage expansion of the production of livestock and dairy products in eastern Canada using more feed grains produced most economically in the Prairie Provinces. Similarly Canadian prairies are peculiarly adapted to production of the world's best hard wheat.

If world trade policies permit exchange products to other countries, then it is in the best interests of consumers for many countries to have Canadian prairie farmers maintain relatively large wheat acreage.

* * *

M. A. C. Higdon

President, Western Stock Growers' Ass'n, Manyberries, Alberta.

Mixed farming requires an assurance of expanded markets, cheaper farm machinery and a reduction of differential between prices of goods purchased and returns from produce. If permanent prosperity is to be secured, the government should co-operate with agriculture regarding the above, to encourage increased settlement on small mixed farming holdings so necessary to Western prosperity.

Dry farming in South Alberta is too hazardous through uncertain rainfall. Irrigation is a vital necessity. Many excellent irrigation projects have already been submitted to the government. An engineering plan should be immediately secured and work begun after the war to employ labor and achieve early settlement for discharged members of the armed forces.

* * *

Chris Jensen

President, Canadian Co-operative Wool Growers Ltd., and prominent farmer, Magrath, Alta.

I believe the soundest method of ensuring the maintenance and expansion of mixed farming in western Canada after the war lies in the development of irrigation projects in southern Alberta and southern Saskatchewan.

Irrigation results in the most intensified kind of farming with such specialized crops as sugar beets, honey, seed production, growing of small fruits and vegetables, wool production, forage crops as well as cattle, sheep and hog production and feeding. This in turn brings about a degree of industrial development such as sugar factories, canning and packing plants, etc., and denser population both rural and urban.

* * *

Dr. L. E. Kirk

Dean of Agriculture, University of Saskatchewan, Saskatoon.

The desirability of continued expansion of mixed farming after the war is primarily a question of future markets. In mechanized wheat growing areas and also where wheat and livestock are highly competitive, expansion of mixed farming should and will depend mainly on the stability of export market for livestock and livestock products. In other areas where livestock is clearly indicated, expansion should be fostered now with special emphasis on quality, but future markets are fundamental.

The world need for grain as human food versus grain as feed for livestock in the immediate future is becoming a crucial problem requiring timely pronouncements on policy with respect to the relative demand and price of grain and livestock products. The farmer must plan now for next year and the year after.

* * *

R. S. Law

President and general manager, United Grain Growers, Winnipeg.

It is dangerous to assume at this time that it will be either practicable or desirable for mixed farming in Western Canada to expand further after the war, or even that it can be maintained at present levels. Western agricultural production is primarily for export and its future form must depend upon what postwar export markets exist, which will depend upon conditions yet to be determined. Western farmers will continue to respond to the needs of such markets as are available, just as they have responded to wartime needs for increased livestock production.

Postwar planning should be concentrated on the problems of markets, while production planning should be deferred until the market situation is clearer. There is an immediate need for an adjustment in hog prices, corresponding with increases in grain prices, to maintain hog production at present levels, but that is a problem of meeting war needs, and not one of meeting postwar conditions.

* * *

W. J. Parker

Manitoba Pool Elevators Ltd., Winnipeg.

To foster continued expansion of mixed farming in western Canada after the war there should be an assurance of a market for the production and a reasonable floor on prices received by the producers.

* * *

H. S. Littleproud

Osler, Hammond & Nanton, Ltd., Winnipeg.

Mixed farming is a broad term and is a subject for experts. Observation and contacts indicate the desirability of:

1. A physical survey breaking down areas into specific classifications based on soil type and content, precipitation, natural shelter and water supply with wide dissemination findings.

2. Small demonstration farms in respective areas also forming the basis of the establishment of community agricultural societies is desirable.

3. Extended use of agricultural representatives, adequate support of country fairs, calf and swine clubs, seed test plots and availability of good sires.

Excellent work by agricultural colleges and extension of service warrants widening operations and more comprehensive publicity. Consideration of a price floor for primary products on the basis of long term and intermediate credits should be indicated, permitting betterment of home and community life.

* * *

J. M. Macdonnell

President, National Trust Co., Toronto, and Canadian Colonization Ass'n., Winnipeg.

There is no mystery about the way to expand mixed farming in western Canada. Mixed farming will expand when it is profitable for it to expand and will remain expanded while prices hold. It has expanded for many months for that reason. There are indications today

(Continued on page 15)

IN TORONTO
CARS and TRUCKS FOR RENT
Call car-U-drive
100 RICHMOND STREET WEST TORONTO ONT.
AD. 5733

Is your office
Primed for 1944?

THE year-end usually finds all hands up to their necks in work with little time to spend in properly preparing for next year's filing needs. This situation will be further aggravated by the "green hand" and help shortage conditions of the times. It is thus more than ever advisable to begin now to have your 1944 filing arrangements and material in shape to switch over with the minimum of disruption of regular routine.

It becomes increasingly difficult to fill orders on short notice and we strongly advise that you place your order for Transfer Cases, Filing Cabinets and Supplies NOW . . . for acceptance when available. It may forestall a big headache for you and for us later on.

Our help in expediting your 1944 filing and office work is yours for the asking.

Makers Since 1888
FILING SYSTEMS and OFFICE EQUIPMENT
THE OFFICE SPECIALTY MFG. Co. LIMITED
HEAD OFFICE AND FACTORIES: NEWMARKET, ONTARIO
Branch Stores In Canadian Cities From Coast to Coast

GENERAL MANAGER AVAILABLE

General Manager, presently employed, with good general and financial experience which has been gained in large industrials, wishes to make a new connection with an industry which has real peace time prospects in Canadian and Export trade. This advertiser has the ability to reorganize a business and place it in a sound operating position. Apply nearest Employment & Selective Service Office, Refer to H.O. 596.

SALES EXECUTIVE WANTED

A leading Canadian Company in an essential industry requires a man with practical sales experience and executive qualifications for a senior position with its office in Toronto area. Experience in engineering or construction products will be an advantage but aggressiveness, tact and initiative with a clean sales record are essential. The position will be a permanent one on a straight salary basis with excellent opportunities both now and after the war. All applications will be treated in confidence, and must first be made in writing giving full details of age, education, experience and references. Apply at your nearest Employment and Selective Service Office. Refer to H.O. 592.

Your Future Security
REMEMBER...
every Victory Bond you buy today helps to speed victory, curb inflation and protect the purchasing power of your dollars after the war.
FOR FUTURE SECURITY
PUT EVERY DOLLAR YOU CAN SPARE INTO
VICTORY LOAN BONDS
Speed Victory
THE ROYAL TRUST COMPANY

KEEP YOUR BUSINESS ON BRITISH COLUMBIA

WHEN war overtook Canada, British Columbia had already achieved an impressive record among Canadian industrial provinces. She had become:

FIRST in Forest Products
FIRST in Fisheries
THIRD in Pulp and Paper
THIRD in Minerals

By 1939, British Columbia industries were pouring out exports at the rate of 150 million dollars annually!

This growth will be accelerated after the war. Before rehabilitation plans can take another step, they must first find the source of abundant lumber, mineral ores and concentrated, nourishing foods such as canned salmon, fruit and vegetables. Their search leads direct to British Columbia.

Before the war, new products in the fields of chemistry, metallurgy, plastics and dehydration had already increased the scope and output of B.C. industry. This development, too, will be resumed—aided by a great new fund of technical skills built up and released by B.C. war plants.

One of the chief functions of newspaper advertising is to build good-will for the future. Nowhere can it be applied to greater advantage than in British Columbia today.

PLACE YOUR ADVERTISING WHERE IT WILL BE MOST PRODUCTIVE

With 102,000 circulation, The Vancouver Daily Province offers advertisers 47% coverage of the entire British Columbia market. In Greater Vancouver, where nearly two-thirds of B.C. purchasing power is concentrated, The Daily Province covers 73% of the population.

VANCOUVER DAILY PROVINCE
"The Major Medium in a Major Market!"

Postwar Exports

Forest Products Important

Sawn Lumber, Timber, Displace Newsprint

This is the third of a group of articles dealing with the problems confronting the restoration of Canada's peacetime export trade after the war. Below the British market for Canadian forest products is discussed.

By GORDON L. SMITH

One of the very first exports of Canada to the mother country was ship masts and, in one form or another, wood has been shipped to the same destination in substantial volume ever since.

The trade, however, has fluctuated considerably between different branches of the forest industry, with the trend in the decade before the war strongly toward sawmill products and away from newsprint and pulp.

Biggest pre-war competitors of Canada in this trade were the northern Scandinavian countries, Norway, Sweden and Finland; to a lesser but growing extent, Russia, and our neighbor, Newfoundland. The Scandinavian group were interested in almost every phase of the business, sawn lumber, timber, logs, pit props, newsprint and pulp. Newfoundland concentrated fairly well on newsprint and Russian exports were almost entirely lumber squared timber and pit props.

Trade Agreements Vital

In appraising development after the peace, much will depend upon the trade agreements between Great Britain and the countries mentioned.

Nothing definite, of course, has been disclosed as to what such policy will be except that Britain and the Soviet Union have signed a 20-year military treaty and it is quite possible that commercial clauses are included. Moreover, in the field of forest products exports, Russia must have almost unlimited raw material and faces no great difficulty in getting these out quickly for export.

Lumbering, after all, is a much simpler matter, so far as equipment is concerned, than say, mining and smelting of metals or the development of agriculture. Moreover, before Finland should be discounted as an enemy country with which no special trade agreements need be expected, it may so happen that Russia may again be a factor, current reports from the Moscow Conference suggesting an extension of Soviet control over that aggressive pre-war exporter of lumber, timber and newsprint.

War Damage

With all these Canadian competitors, of course, another postwar factor enters, the speed of recovery from war damage. Undoubtedly Germany has exploited forests in Finland, Norway and Russia and there has been and will likely be more, actual war damage in all. Moreover pressure of war or defense demands must have resulted in excessive cutting in all European countries, including Sweden. It is not likely that many of them, unless desperately pressed, will want to enter into cutthroat and wasteful competition for some time after the war.

Canadian exports originate largely in British Columbia, some 40% of the total cut of that province being allocated to the United Kingdom at the present time, Nova Scotia and New Brunswick. Ontario and Quebec are interested in the newsprint end of the business and slightly in some of the other lines.

From B. C. is exported, usually, via the Panama Canal, sawn lumber, squared timber, and finished doors; from the eastern provinces lumber, pit props and some squared timber. Both areas and the central provinces shared in exports of match and spool woods, pickets, shingles, shooks, paperboard, pulp, newsprint, etc. To several communities and large companies on the western and eastern coasts this export to Britain bulks very large.

Newsprint Less Important

In all the period between the two great wars lumber shipments formed a considerable volume of our total U. K. export in forest products, but for a brief period around 1929 newsprint and other paper dominated.

In the year before the Great Depression, for instance, newsprint alone amounted to almost half the total and in addition we exported a lot of wrapping paper and some allied products. Later on, however, as the Scandinavian paper industry developed, Canada faced greater competition in the British market and newsprint shipments declined. This trend did not greatly worry Canadian newsprint producers so long as the much greater American market remained. The trend is well illustrated by the accompanying table.

Actual outbreak of war, of course, seriously interfered with Scandinavian exports of newsprint and lumber to Great Britain, especially after Norway and Finland became involved. So far as lumber was concerned Canada was largely called upon to make up the difference, but severe paper rationing in Britain handled the other situation. Most British papers have now been cut to a fraction of their peacetime size.

Big Lumber Outlet

In the long run, and especially in the 15-year period immediately before the present war, Canadian forest industries have mainly looked to the British market as an outlet for lumber and allied products. In recent years the business was greatly stimulated by two developments: first the residential housing boom in Great Britain from 1925 to 1938 and, from then on until 1939, by preparations for the war now being waged.

Literally millions of new houses were erected in England and Scotland in the first period and much Canadian lumber in various forms went into that construction. Then, just before outbreak of present war, undoubtedly British importers were stocking up on Canadian lumber in anticipation of wide-scale construction of military barracks, hangars, temporary warehouses and temporary country housing for large sections of the population to be evacuated from bomb-menaced cities. Because the latter movement did not develop as quickly as expected, there was some falling off in total lumber exports after the war started but these are known to have expanded again materially in 1940, 1941 and 1942.

Postwar Market

In attempting to appraise the trade in forest products after the war, aside from the competitive factors mentioned earlier, some other points must be considered. These include competition from non-forest products and the ability of Canada to maintain or expand lumber and allied exports after the war.

Undoubtedly there must be a huge program of rebuilding in Britain and other war damaged countries after the war. Thousands of buildings have been damaged and a large percentage completely destroyed. In replacing these, wood would normally play a very considerable part, even if the main construction material was masonry. Door frames, roof support, lath, floors and interior trim are usually of wood.

Competitors With Wood

But in recent years and especially during the war, other materials, notably plastics, plywoods and building boards of gypsum have come forward rapidly. Prefabrication of houses, too, is mentioned prominently. But many of the new materials, while substitutes perhaps for ordinary lumber, are still basically wood products. This is especially true of plywood and many of the plastics. If these materials are used in large quantities, it will not necessarily mean any lessening of total volume of forest products but rather a rearrangement of the parts played by the various industries that make up the forest group.

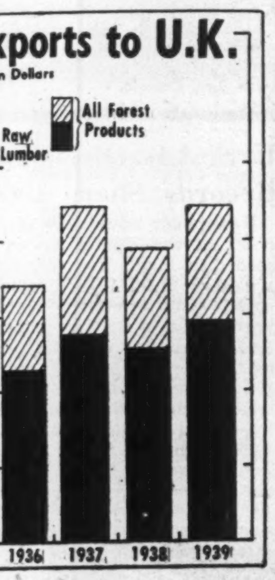
Perhaps some gradual rearrangement might be just as well. One is disclosing no national secret in reporting that in some lumber lines, the raw material supply is getting limited. Some time ago it was estimated that only a few years of present cutting would see the last of the commercial stands of some timber in British Columbia almost exhausted. Big fir and cedar in accessible areas is getting scarce. On the other hand there is plenty of cheaper wood in sight and almost unlimited quantities for making plastic, and plywood. Recognizing these facts, there is already a trend in the forest industries of British Columbia and the east to the cheaper woods, and plywood and plastics, so that changes in British postwar demands should not catch us unprepared.

Main Forest Exports to U. K.

(In millions of dollars)

	1926	1929	1932	1937	1938	1939
Lumber, logs, shingles, timber	11.6	8.5	4.7	27.3	22.7	29.7
Manufactured wood products.	4.1	2.7	2.2	7.9	5.9	4.4
Newsprint and other paper products	3.3	10.9	6.7	8.9	9.7	9.7
Total* wood products	19.1	22.3	13.7	44.3	38.5	43.9
Total exports to U. K.	508.3	429.7	174	402	340	328
Total wood, all countries	278.7	288.6	175.8	263	211.7	242.5

*Includes some items not specified.



Of all forestry products exported to Great Britain in the decade before the war, raw lumber — planks, boards, logs, timber — made up more than 50% of the total. The remainder, shown in *light* portion of pillars, was largely newsprint, wrapping paper, paperboard, etc.

How much VICTORY will $100 buy?

• When peace comes everyone in Canada will share in it.

Yet more than two million gainfully employed Canadians who could buy a Victory bond, have not done so, yet.

You, perhaps, belong to the other three million or so who have bought a bond. And you will buy again and again.

You consider these bonds your share in victory.

But have you stopped to ask yourself how much victory $100 will buy?

Have you seen the latest figures on what Canada must spend if we are to shoulder our full share as a free and prosperous nation in the cost of the war?

• Do you know that up to June of this year Canada has spent 4½ billions on war munitions?

Do you know that since the war began Canada has built and launched 230 frigates, corvettes and minesweepers, over 100 patrol ships, and 178 freighters?

Do you know that over half the military vehicles which carried General Montgomery's army to victory in North Africa were made in Canada?

Do you know that the Air Training Plan for the next two years will cost $1,500,000,000, of which Canada will pay half?

Do you know that so far we have spent on industrial expansion and defence construction—in Canada itself—more than a billion dollars?

These billions add up to Canada's share in victory.

Do you think $100 is your share of the total?

You are paying taxes, yes.

And perhaps you have some bonds already.

But have you bought your share?

Only you, yourself, after you have thought everything over and determined to save every dollar you can—only you can answer that.

Speed the Victory

BUY VICTORY BONDS

This message is sponsored by Life Insurance Companies in Canada

L-843X

Let's All Stop Boasting

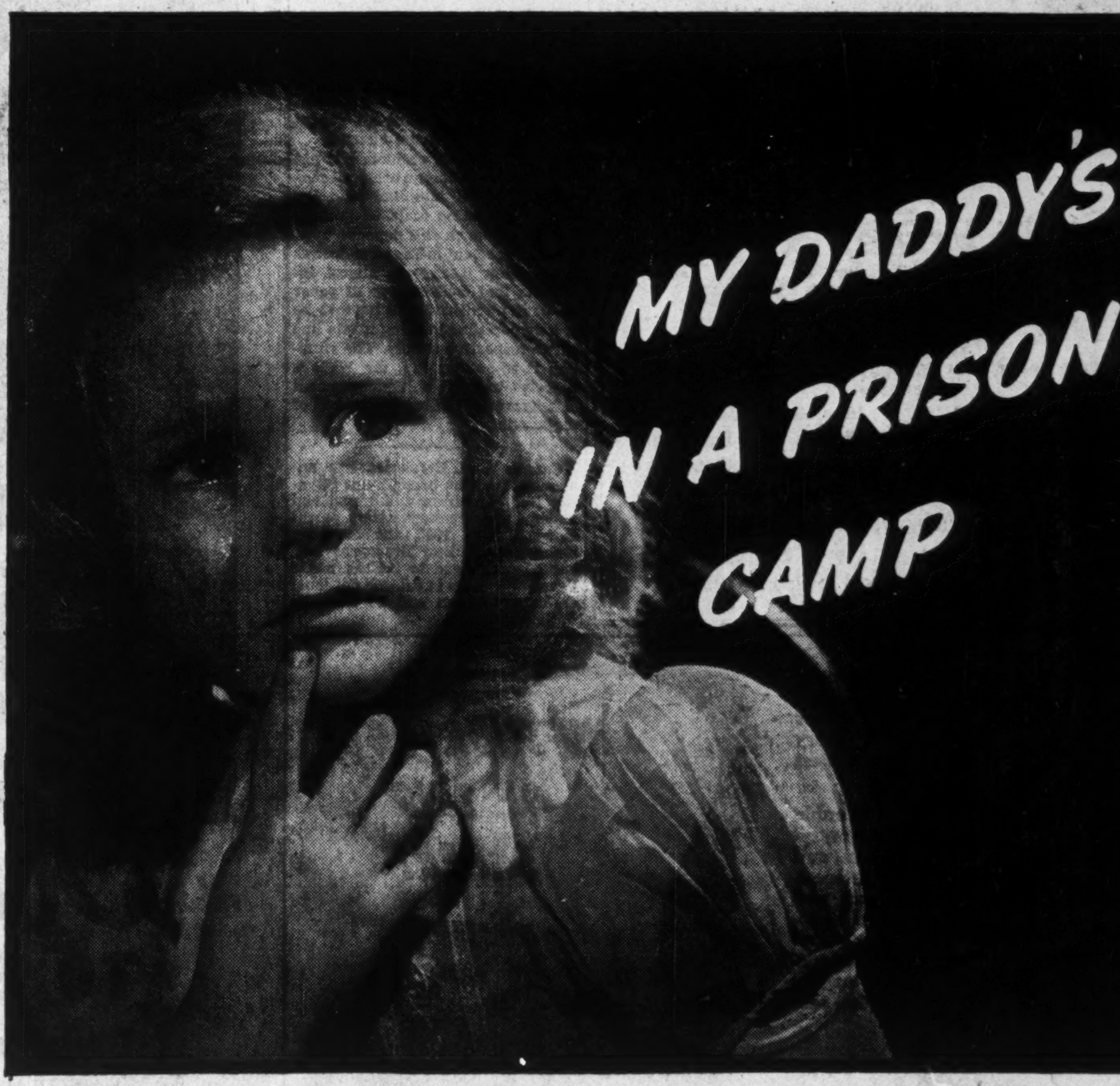
ABOUT OUR WAR EFFORT
FOR ONE MONTH ANYWAY

and Buy All the

VICTORY BONDS

We Can

DOMINION PLYWOODS LIMITED
SOUTHAMPTON CANADA
Custom-Built Plywood Specialists
MANUFACTURERS OF PLAS-DOM-PLY and MOLDOMPLY



"He says he dreams about me and mama all the time.

"He wishes he was home with us and we do too.

"Daddy says his bed is awful hard and not clean and he doesn't get much to eat and they are cruel to him and make him work too hard.

"Mama says when the war is over, Daddy will come home again if he is still alive.

"I hope it will be over soon."

Everyone wants this little girl to have her daddy back soon as possible. And the daddies of so many thousands of other youngsters.

We at home can't go to their rescue in person; but we can send our armed forces after them with the weapons in their hands and the equipment that will bust open every jail and concentration camp in enemy countries.

Let's do it by buying Victory Bonds — not just a token purchase, but all we can manage for cash and then some more bought on monthly payments.

"Speed the Victory" -- with Victory Bonds

SUPERTEST PETROLEUM CORPORATION LIMITED
"Canada's All Canadian Company"

Newsprint

To Align Supply With Demand

Canada, U. S. Expected to Complete Policy Soon

From Our Own Correspondent

MONTREAL. — Canada and the United States will move during the next week or 10 days to bring consumption of newsprint paper within supply limits, and place it on a basis in line with prospective supply.

At present production of newsprint paper in Canada is steadily contracting due to labor shortage and lack of pulpwood. The latter grows more serious and further curtailment of mill operations is to be expected.

Placing of pulpwood cutting in a higher labor category is understood to have been agreed upon by the Canadian Government. It is believed "B" rating will be given. Even so, how to get additional manpower remains a problem.

With labor supply the same as a year ago, the prospective cut of pulpwood will still be far below present rate of consumption.

American orders placed with Canadian newsprint mills continue well above tonnage available.

WPB tells American publishers that further exhaustion of inventory reserves will be "dangerous" and recommends a cut of 16% in consumption, effective Nov. 1.

Advisory committee of the United States newspaper industry opposes a further cut and suggests an inventory adjustment.

Give Higher Rating

Representations made by the Canadian industry to have the cutting of pulpwood declared essential are understood to have received approval of the Cabinet. Though a "B" rating has been agreed upon, official announcement has been held up. It is understood there is a demand for control over the use to which the pulpwood will be put, but this is opposed on the grounds that the ultimate user should not be told how he will use the product, whether pulp or paper.

Meanwhile Department of Labor is trying to get farmers to work in the woods. Company canvassing has been authorized by Selective Service not only in Quebec, but also in certain areas of New Brunswick and in northern and northwestern Ontario.

Member companies of the Central Pulpwood Association have been authorized to canvass farm help in Manitoba.

Practically all demands of the industry have been met, with the exception of the matter of rating pulpwood an essential industry.

A late harvest this year has hampered movement of workers from the farm into the woods. Normally, large numbers of men should be moving into the woods now. By the end of next month the industry will be able to determine fairly closely just what the pulpwood cut will be this winter.

Orders Out Of Line

Allied to the problem is the placing of orders by American publishers with Canadian mills for tonnage greater than the supply.

According to Paul Kellogg, adviser to the Canadian Newsprint Administrator and Acting President of the Newsprint Association of Canada, orders from U. S. publishers for November delivery were again 10% higher than the tonnage Canada was pledged to deliver, and have been brought into line.

This condition has been going on for several months.

Excessive ordering has been complicated in part by WPB granting special appeals to publishers for additional tonnage. Last month WPB took steps sharply to curtail special allotments of paper.

So far United States publishers have balanced supply with demand by drawing upon reserves.

The prospective fourth quarter consumption figure for the U. S. was placed at 964,000 tons, largest for the year. In addition, were recommendations for additional tonnage on appeals totalling 27,616 tons for 306 publishers who had asked for 109,728 tons over their base quotas.

Director Wants Cut

Director H. M. Bitner, of the WPB Printing and Publishing Division, proposed an additional 16% cut to balance supply and demand, rather than dip further into inventories.

The Newspaper Advisory Committee prefers a reduction in inventory supplies from present 40-day and 65-day limits on a current monthly use base rather than calculating the present inventory limit on the average daily use for the first six months of 1943. This is estimated to make 20,000 tons available which would offset the estimated 16% "deficiency." The deficiency, however, is set at 40,000 tons.

Has Plan Ready

Anticipating that this pool might not be filled, WPB has ready for invocation a sliding scale of further curtailment approved by the advisory committee.

From Director Bitner down, it is agreed that while the proposed plan might save the situation for the remaining months of the year, the newspaper business is faced with "very substantial" further curtailments in 1944.

The sliding scale of curtailments is graduated from no reduction on the first 25 tons, to 12% on the largest users. The scale recommended is: first 25 tons, no cut; next 100 tons, 2%; next 125 tons, 4%; next 250 tons, 6%; next 500 tons, 10%; 500 tons or above, 12%.

It was also recommended that 1944 allowable use be based upon 1943 use or quota, whichever is the larger, provided the base period is adjusted to the new standards, with a view to substantial reduction of all papers of more than 100 tons a quarter.

So far the basic problem has not been attacked, namely, bringing consumption down into line with the steadily declining scale of production. While much still depends upon the pulpwood cut in Canadian forests this winter, it appears almost inevitable that consumption of paper by U. S. publishers will have to be greatly curtailed to bring it into line with prospective supply. The situation is so serious that the WPB is expected to make an announcement of a further cut in use by the end of the month.

Canada Bud Breweries has announced that the brand name "Canada Bud" has been withdrawn and under supplementary letters patent dated Oct. 1, 1943, the company name Canada Bud Breweries Ltd. has been changed to O'Keefe's Ale Brewery Limited. Additional O'Keefe products will be made at the brewery.

Britain Looks to Canada For Postwar Paper Supply

From Our Own Correspondent

MONTREAL.—Annual newsprint consumption per capita in Britain has been reduced to 12 lbs., according to World Press News, a trade publication, discussing postwar prospects for British newspapers. This contrasts with consumption in Canada of 52 lbs., and in the United States of 57 lbs. At present Britain is using 19% of her prewar newsprint consumption compared with the United States 106%.

To safeguard the future at the present minimum, British Newsprint Supply Co., which provides newsprint to United Kingdom papers, purchased from Canada 248,000 tons of newsprint for shipment—half in 1944 and half in 1945. That, with British local supplies, would merely maintain present status.

But, said World Press News, having regard to the duty of the British press immediately peace comes to expand its services for restoring general trade, Britain is entitled to ask Canada to "give some regard to something better than the wartime irreducible minimum with the advent of peace.

"Canada should be asked, in justice to Britain, to earmark supplies of her potential production on a basis which will provide at least eight-page papers or some other larger figure for Britain."

British dailies now are four pages while Sunday papers run from six to eight pages on alternate weekends.

Position of British newspapers after the war depends on what happens to Canadian pulpwood cut this winter, the publication says.

GOVERNOR

G. D. Scott, advertising manager of the E. B. Eddy Co., who has been elected Canadian vice-president and representative on the Board of Governors of the Direct Mail Advertising Assoc. at a recent New York conference.

Ford of Canada has produced its 20,000th Universal Carrier, it was announced recently in connection with Fifth Victory Loan ceremonies. It is stated that the carriers have seen action on every fighting front, including the Russian front.

Shawinigan Net Lower In 1942

Subject to Taxes, Profit to End of September Down $641,376

From Our Own Correspondent

MONTREAL.—Subject to income and profits taxes, Shawinigan Water & Power Co. reports net income of just over $5 millions for the nine months ended Sept. 30, 1943. This contrasts with slightly under $5.7 millions for the like period a year ago.

Gross revenue at $17.9 millions was $157,280 lower than last year. On top of this an increase in operating expenses, power purchased, water rentals and depreciation reserve offset a drop in fixed charges.

For Nine Months Ended Sept. 30

	1943	1942
Gross revenue	$17,938,473	$18,095,752
Expenses:		
General. oper. and maintenance ...	3,668,455	3,262,602
Power purch. ...	3,147,758	3,074,107
Water rentals	418,220	380,022
Taxes	626,063	716,330
	10,077,976	10,662,691
Fixed charges	2,662,569	2,681,119
Exchange	196,405	196,195
	7,219,602	7,785,377
Prov. for deprec. ...	2,175,000	2,100,000
Net profit subject to inc. & profits tax.	5,044,002	5,685,377

RUBBER TREES AT HERON BAY?
BOMB TREES AT BAIE COMEAU?

FROM THE WASTE OF CANADA'S FORESTS A CANADIAN INDUSTRY PRODUCES ALCOHOL FOR SYNTHETIC RUBBER, EXPLOSIVES AND OTHER VITAL WAR MATERIALS

FOR the first time in Canadian industrial history waste sulphite liquor from a pulp and paper mill is being utilized to make industrial alcohol. In the only plant of its kind in this hemisphere, The Ontario Paper Company at Thorold now makes industrial alcohol from this by-product hitherto usually wasted.

The alcohol (known chemically as ethanol) is being supplied to the order of the Chemical Controller of Canada, and is being used entirely for war purposes—to make synthetic rubber, explosives and other war materials.

This pioneer plant, initiated and financed entirely by private enterprise, points the way to post-war planning in utilizing the resources of Canada for the benefit of the people. Canada's Fifth Victory Loan is now offered. That is an investment in the future of Canada—your future.

Speed the Victory

BUY VICTORY BONDS

THE ONTARIO PAPER COMPANY LIMITED

HEAD OFFICE: THOROLD, ONTARIO.

Quebec Subsidiary: Quebec North Shore Paper Company, Montreal.
Mills at Thorold, Ontario and Baie Comeau, Quebec.
Pulpwood Stations at Shelter Bay and Franquelin, Quebec, and Heron Bay, Ontario.

Paper Demand in U. S. Tops Current Supply

Paper demand in the United States as indicated by orders received by mills reporting to the American Paper & Pulp Ass'n., has exceeded production by 5% to 10% since Sept., 1942, after lagging behind for most of last year. For the first eight months of this year, orders exceeded those of the comparable period of 1942 by 6%.

Paper production for the year to date is up 3%, with a gap between supply and demand gradually being closed as output is maintained at the relatively high level of recent months.

Inter-State Royalty Corp. reports that at Aug. 31 investments in oil royalties had a book value of $1.6 millions.

Gross revenue from royalty income to July 31 amounted to $545,019 and reserve for depletion $149,073 to the same date. In July the company had a gross income of $1,586, while accumulated income for 1943 amounted to $15,826.

U. S. Advertising Linage Records Sharp Gain

Newspaper advertising in 52 key cities of the United States, as recorded by Media Records, registered a gain of 21.3% in September compared with the same month last year. Volume for nine months was 13.8% ahead of the like period in 1942.

Compared with a year ago September returns show retail advertising ahead 8.2%; department store, 4.2%; general, 52.8%; automotive, 5.6%; financial, 44.1%.

In Competition for Attention

Your advertisement engraved will be more effective . . . and for engravings of first quality call

LEGG BROS. ENGRAVERS LTD.
10 St. Patrick St. AD. 0928

LEND FOR VICTORY

Abitibi Power & Paper Company, Limited

TORONTO, ONT.

Owning directly or through subsidiary companies, mills at

Beaupre, Que. — Iroquois Falls, Ont.
Pine Falls, Man. — Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. — Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Paper is scarce enough now, but you can get quick delivery on any quantity of this kind. It is printed in the form of Victory Bonds, to do one of Canada's most vital jobs.

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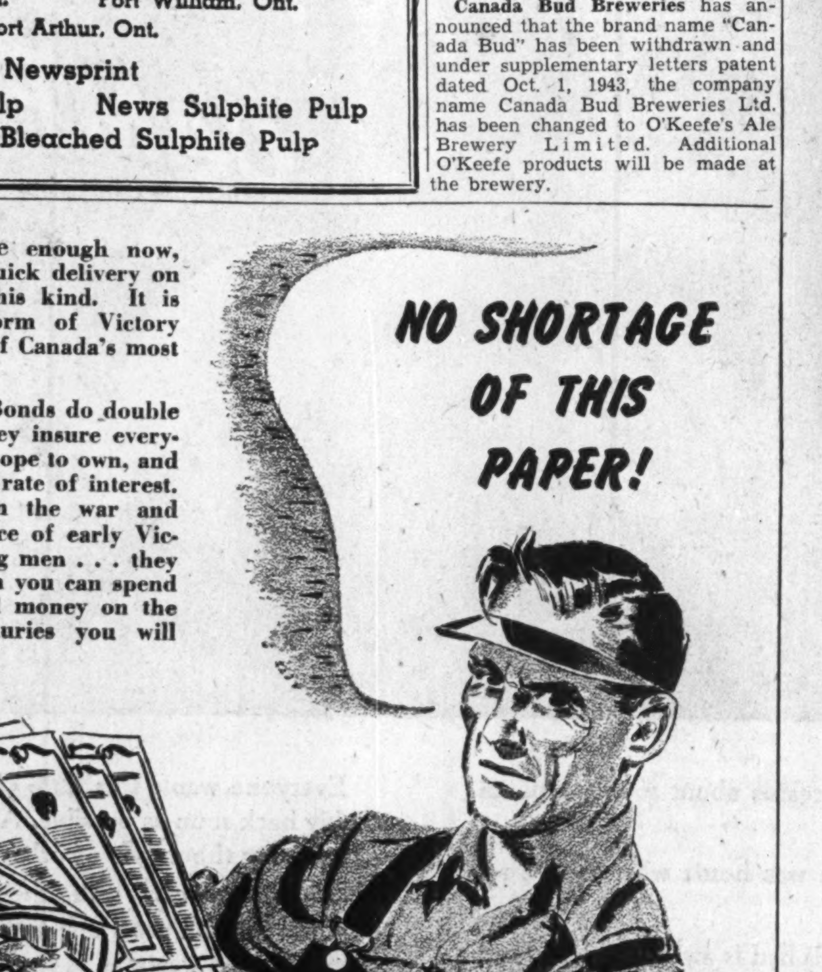

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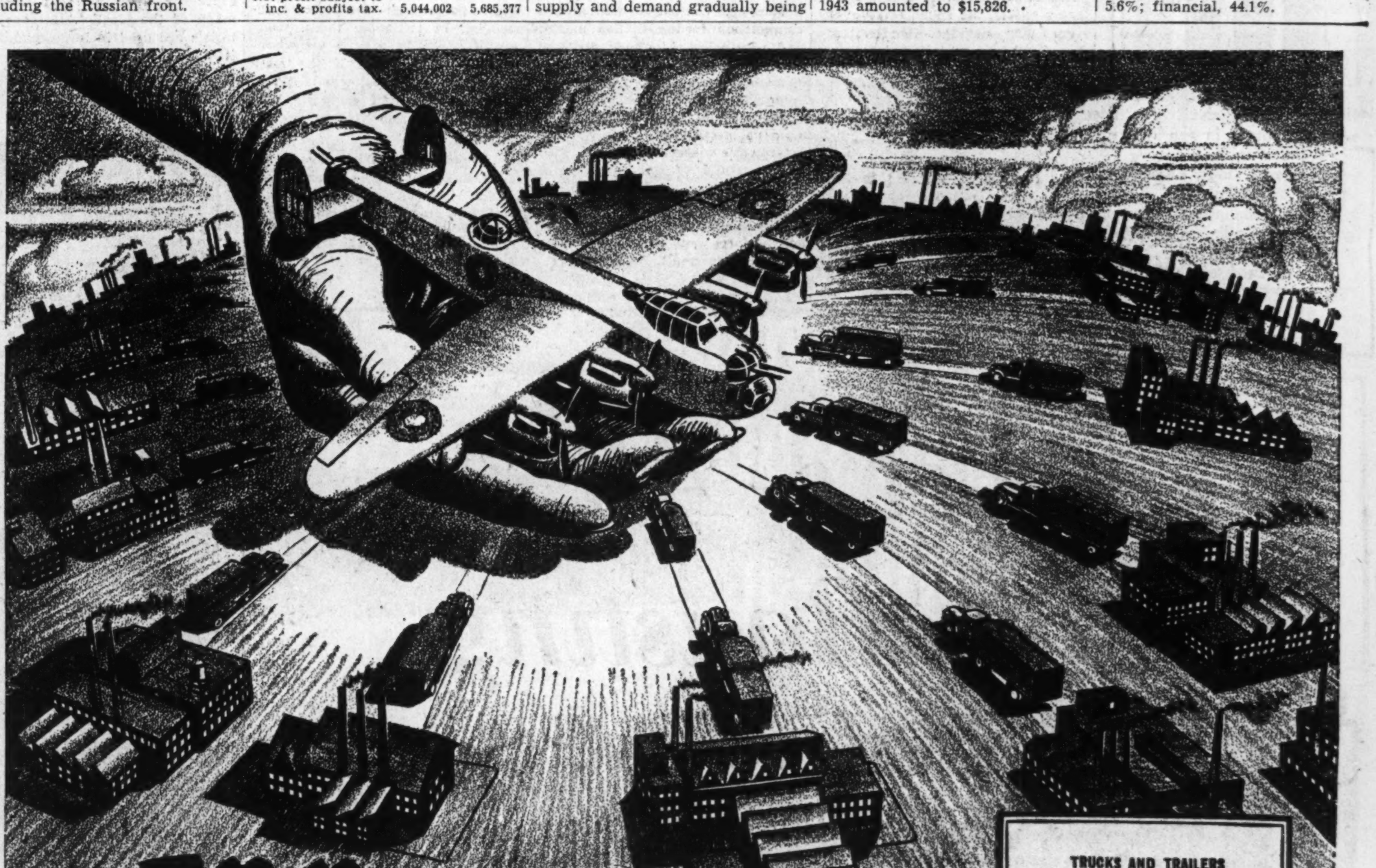


TRUCKS AND TRAILERS ARE ESSENTIAL TO CANADA'S WAR EFFORT

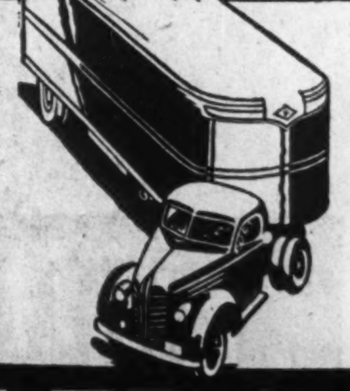
A recent analysis of truck traffic disclosed that 73.6% was for plants engaged in vital war work; 22.7% for essential civilian supplies.

★

100 out of 104 representative companies working on Department of Munitions and Supply contracts declared that motor transportation is of vital importance to their business.

★

Truck-Trailers also contribute to Canada's war effort by doubling the payload capacity of motor trucks, by moving more tons with less gasoline and oil, by reducing the number of trucks required for civilian needs, and by freeing rail freight facilities for work which they can handle advantageously.



500 Factories NEEDED TO BUILD THIS PLANE!

Trucks, Trailers are the Conveyors on the National Assembly Line

A SINGLE AIRCRAFT may contain parts from 500 companies, according to the Dept. of Munitions and Supply; 350 contribute to the production of the 25 pounder field gun. At least 600 firms participate in the motor vehicle program. In fact, Canada's amazing war production is largely due to the use of "feeder" plants all over the country.

And this, in turn, has been possible largely because of motor transport. "Feeder" plants are the start of the assembly lines. And motor transport—Trucks and Trailers—are the conveyors. Operating on time-table schedules, reaching many communities otherwise inaccessible, they unite a network of widely-spread manufacturers into a single production unit. Thanks to our great network of roads, it makes little difference whether these co-operating companies are across town or across the country . . . Trucks and Trailers link them up with speedy service.

To keep this essential service going, the Industry must have prompt relief on a pressing problem—manpower. The industry is carrying on with only 30% of its skilled pre-war personnel. Now that married men are being drafted, it is estimated that 40% of this skeleton force is subject to call-up. If they are taken it will cripple highway transportation because it takes years to train good drivers.

The industry should be spared its remaining personnel. Or, at the very least, deferment should be made until spring, as skilled, experienced drivers are essential to keep the Trucks and Trailers rolling over dangerous wintery roads.

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Life Insurance

An Actuarially Just Peace

Taylor Urges Errors of Versailles Be Avoided

Fear that final drafting of the peace treaty to be framed on conclusion of present hostilities (in reference to life insurance) might be dictated by the questions of special interests, rather than by sound actuarial principles, is voiced by R. D. Taylor, legal adviser of the Sun Life Assurance Co. of Canada. In his address before the Americal Life Convention in Chicago recently he appealed to insurance men to take action now to prevent a recurrence of the errors regarding life insurance with which the Versailles Treaty is studded.

Life insurance men are already 15 years late considering possible legal liabilities resulting from the war, R. D. Taylor, legal adviser of the Sun Life Assurance Co. of Canada, told the American Life Convention in Chicago recently.

Hence they enter peace treaty discussions under heavy handicaps. Mistakes in the Versailles Treaty may be repeated unless they do what they can now to prevent them.

Life insurance provisions of any new peace treaty must be actuarially sound, he emphasises.

Wrong Objects

He believes not only that what the Versailles Treaty purported to do was wrong but it had failed to do what it attempted.

Its provisions he described as contrary to international law and opposed to recommendations that had been made by the British life insurance companies before the treaty was effected. Final drafting of the treaty, he declared, was dictated rather by the practical question of special interest than principles.

Provisions of Treaty

He quoted insurance provisions of the Versailles Treaty in part as follows:

11. Contracts of life insurance entered into between an insurer and a person who subsequently became an enemy shall not be deemed to have been dissolved by the outbreak of war, or by the fact of the person becoming an enemy.

Any sum which during the war became due upon a contract deemed not to have been dissolved under the preceding provisions shall be recoverable after the war with the addition of interest at 5% per annum from the date of its becoming due up to the day of payment.

Where the contract has lapsed during the war owing to non-payment of premiums, or has become void from breach of the conditions of the contract, the assured or his representatives or the persons entitled shall have the right at any time within 12 months of the coming into force of the present Treaty to claim from the insurer the surrender value of the policy at the date of its lapse or avoidance.

Where the contract has lapsed during the war owing to non-payment of premiums the payment of which has been prevented by the enforcement of measures of war, the assured or his representative or the persons entitled shall have the right to restore the contract on payment of the premiums with interest at 5% per anum within three months from the coming into force of the present Treaty.

12. Any Allied or Associated Power may within three months of the coming into force of the present Treaty cancel all the contracts of insurance running between a German insurance company and its nationals under conditions which shall protect its nationals from any prejudice.

To this end the German insurance company will hand over to the Allied or Associated Government concerned the proportion of its assets attributable to the policies so cancelled and will be relieved from all liabiity in respect of such policies. The assets to be handed over shall be determined by an actuary appointed by the Mixed Arbitral Tribunal."

Obligatory Reinstatement

British representatives objected, among other things, to giving a policyholder the arbitrary right to reinstate a policy lapsed because of non-payment of premiums, unpaid because of war restrictions.

This clause, however, appears to have been satisfactory to the other Allied nations, there being a direct conflict of interest. Belgians, French, Rumanians and Serbians were insured in German companies but Germans were not insured in the companies of these nations. Germans, were insured in British companies, but British nationals were not insured with German companies.

The British companies maintained that policies of enemies should not automatically be cancelled with a subsequent forfeiture of value in favor of the companies. They argued that to treat a life insurance contract as automatically dissolved would be inequitable to the policyholder while merely to suspend the contract would be equally inequitable to the insurance companies.

Wanted Sound Principles

While the total amount of insurance in force between Britain and Germany was small, British representatives were more concerned with the maintenance of sound insurance principles and hence were opposed to obligatory revival of lapsed policies because it would be a complete reversal of the principle of selection of risks.

The other nations, with many policies on their nationals with German companies, held that Allied policyholders of German companies should be protected no matter how life insurance principles were violated.

British companies were concerned with policies that contained no automatic non-forfeiture clauses and might lapse even if they still had some cash value. Those that had any non-forfeiture feature probably allowed a paid-up policy to be taken or the policy surrendered for cash within a limited time subject to some other similar restriction.

Versailles Treaty provisions, especially the clause making reinstatement obligatory on the companies at the option of the insured, if carried into the peace treaty after the present war, could injure British and American companies, Mr. Taylor stated. Suppose an American company had done extensive Japanese business before the war. It would, under the reinstatement clause, find that every dead or dying Jap, and all the poor risks among the Japanese would have their American life insurance policies reinstated. But the company could not collect premiums from the physically fit Jap policyholders to provide the funds necessary to pay Japanese death claims.

The situation is not changed in principle because the company has a great body of American policy holders. It will not go bankrupt but its American policyholders will suffer loss due to reinstatement of the poor Japanese risks. As the British companies said in 1917, the principle of reinstatement at option of the insured is contrary to life insurance fundamentals.

Suggested Principles

Rules to guide treaty makers after this war, Mr. Taylor suggests, might be:

1. "There should be no confiscation. Admittedly, during a total war, economic regulations have to be enforced that may well apply harshly in individual cases. Lip service at least is to be rendered to the principle adopted by the International Law Association in 1924:

That the revived practice of warring states by which they confiscate the available private property of alien citizens is a relic of barbarianism worthy of the most severe condemnation.

Otherwise we would have no problem either during the war or in the peace treaty with regard to enemy policyholders of our companies. The only logical course of action would be to seize the surrender values and liquidate the policies for the benefit of our own nationals . . . this is the treatment meted out to German policyholders in companies of the Allied and Associated Nations by the terms of the Versailles Treaty.

2. "An executed contract, that is a contract wholly performed on one side, is not dissolved and war only suspends the remedy. This should include waiver of the common law prohibition against payment if the policyholder died as a result of taking up arms against the sovereign. While we are actually engaged in war it may seem repugnant to acknowledge liability for the claim of a Japanese killed in action against us while his policy is still in force. In these days of total war, however, we should be prepared to admit that there is little difference between the civilian making the weapons and the soldier handling them.

Uphold Contract Terms

3. "The terms of contracts must be upheld. This includes the principle that war does not alter the terms of the contract in favor of the enemy assured. The policy, therefore, lapses in accordance with its terms. The insurance policy is not in suspense by reason of the fact that the assured has become an alien enemy.

4. "When an insurance policy lapses in accordance with its terms there shall be no forfeiture and there shall be no loss through frustration of contract. Forfeiture is a penalty which, like confiscation, carries the implication of values going from one to another. I suggest that the modern non-forfeiture clause as in use on this continent has not been given the consideration it deserves in the study of this question of war and insurance contracts.

"It must always be borne in mind that the contracts under consideration at the time of the Versailles Treaty . . . did not all contain our automatic premium loan clause or extended term provision. I rely on the actuaries to prove their claim that our modern non-forfeiture clause is what it says it is—a clause that is the negation of any idea of a forfeit. The assured gets full value for everything he has paid. You will recall that the anxiety of the British companies to see that there was no forfeiture of existing values led to their recommendations of payment of surrender values. We are equally anxious to see that there is no forfeiture but, when all values have been used up to carry the policy for the benefit of the assured, there is no forfeiture because there is no value to forfeit."

Two Alternatives

After the war the world will be faced with either a system of planned national economy with each nation operating as an economic unit in competition with the other nations of the world, or, alternatively, a free world thrown open to the free exercise of individual enterprise by all citizens of all countries, large or small, says Mr. Taylor.

Mr. Taylor concluded:

"Where does this affect life insurance? Life insurance is based on actuarial science. When the instincts of some of the races that inhabit the world can still be described as being those of a 'homicidal, suicidal lunatic with a 2,000 lb. bomb in each hand', the possibility of war cannot be left out of actuarial calculations. Therefore, if the basis of international law dealing with life insurance in time of war is to be one that is not just actuarially, and the rules of the Versailles Treaty or of the International Law Association are not just actuarially, there can be but one result. Life insurance will be driven inward so that each company will confine its dealings within its own national boundaries. A backward step will thus be taken to those world conditions we are now trying desperately to escape."

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

G. F. GARDNER to be manager, Queen & McCaul, Toronto.

W. F. NOEL to be acting manager, Lewisporte, Nfld.

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Bank of Canada Deposits Down

Further Rise Seen in Note Issue — Total Assets Lower

Total deposits with the Bank of Canada show a decline of about $23 millions in the statement for the week ended Oct. 20. The decline was partly in Dominion Government accounts reflecting war expenditures and also in chartered bank accounts, possibly reflecting withdrawals of cash to augment their supply of till money to meet the autumn requirements for currency.

On the credit side, declines in miscellaneous assets and in holdings of sterling exceeded a rise in investments with the result that total assets were down about $13 millions.

	Oct. 20 1943 $	Oct. 13 1943 $
Capital paid-up .	5,000,000	5,000,000
Notes in circultn.	831,801,542	827,799,881
Rest fund	6,472,953	6,472,953
Deposits Dom. .	63,975,153	69,867,788
Chartered bks.	308,497,629	327,998,205
Other	15,638,226	14,072,215
Total deposits ..	388,111,008	411,938,208
All other liabs. ..	22,633,145	16,301,709
Total liabs.	1,254,018,648	1,267,512,751
Assets		
In Sterling & U.S.	46,240,066	48,783,444
Subsid. coin	126,194	148,591
Investments:		
Dom. gov. sh. .	753,124,819	812,990,034
Other Dom. gov.	436,576,993	363,006,514
Total invest.	1,189,701,812	1,175,996,548
Premises	2,101,474	2,097,012
All other assets .	15,849,102	40,486,256
Total assets	1,254,018,648	1,267,512,751

DIVIDEND NOTICES

BANK OF MONTREAL
ESTABLISHED 1817

DIVIDEND NO. 322

NOTICE is hereby given that a DIVIDEND of ONE DOLLAR AND FIFTY CENTS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST day of DECEMBER next, to Shareholders of record at close of business on 30th October, 1943.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on MONDAY, the SIXTH day of DECEMBER next.

The Chair to be taken at noon.

By Order of the Board.
B. C. GARDNER,
General Manager.

Montreal, 19th October, 1943.

ALUMINIUM LIMITED

COMMON DIVIDEND

On October 20th, 1943, a quarterly dividend of $2.00, plus a special dividend of $2.00, were declared on the Common Stock of this Company, payable in Canadian funds December 6th, 1943, to shareholders of record at the close of business, November 10th, 1943.

20th October 1943
J. A. DULLEA,
Secretary

Aunor Gold Mines
LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Five (5c) Cents per share, payable in Canadian Funds, has been declared by the Directors of AUNOR GOLD MINES LIMITED, payable December 1, 1943, to shareholders of record at the close of business November 8, 1943.

By Order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, October 22, 1943.

Belding-Corticelli
Limited

Notice of Preferred Stock Dividend No. 116

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ending 30th November, 1943.

Notice of Common Stock Dividend No. 71

A dividend of one per cent (1%) has been declared on the Common Stock of this Company, for quarter ending 30th November, 1943.

The above dividends are payable on the 3rd day of January, 1944, to Shareholders of record at the close of business the 30th day of November, 1943.

Richland Oils Limited

NOTICE TO SHAREHOLDERS

The matter of a small capital distribution to be eventually made to shareholders in Richland Oils Limited is now before your Directors and will be placed before the shareholders at a meeting to be convened in the near future. It is therefore important that all holders of share certificates have the same registered in their names immediately and it is to the interest of every shareholder to see that his shares are registered as notices of meetings can only be sent to registered shareholders.

The transfer office of the company is located at Frank Freeze Cope Agencies Limited, 229—8th Avenue West, Calgary, Alberta, and your certificates should be mailed or delivered to this address together with transfer fee of 35 cents per certificate.

Dated at the City of Calgary, in the Province of Alberta, this 21st day of October, 1943.

T. HUMPHRIES,
Secretary.

SISCOE GOLD MINES LIMITED

NOTICE OF DIVIDEND NO. 47

NOTICE is hereby given that a Dividend of One and One-Half Cents (1½c) per share on the issued Capital Stock of Siscoe Gold Mines, Limited, has been declared payable on December 15th, 1943, to shareholders of record at the close of business on the 12th day of November, 1943.

By Order of the Board.
H. E. GREEN,
Secretary-Treasurer.

Montreal, October 19th, 1943.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares, and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "B" shares of the Company have been declared for the quarter ending November 30th, 1943, payable on the 1st day of December, 1943, to shareholders of record at the close of business on the 2nd day of November, 1943. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.
R. G. MEECH,
Secretary.

Toronto, October 20th, 1943.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE PER CENT (1%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of December next, to shareholders of record at the close of business on the 15th day of November, 1943.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, October 20th, 1943.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PER CENT (1¾%), being at the rate of Seven per cent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of December next, to shareholders of record at the close of business on the 15th day of November, 1943.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, October 20th, 1943.

No Job for Shipshaw When War is Over?

Parliamentary Subcommittee Hears Pessimistic Estimate Regarding Possibility of Using This Huge Development

By STAFF WRITER

OTTAWA. — Present estimated cost to complete the huge Shipshaw power plant at Arvida is now given at $71.2 millions, or $33¾ millions more than the pre-war estimate of total cost, according to evidence given recently by Frank H. Brown, Financial Adviser to the Department of Munitions and Supply, before subcommittees of the Parliamentary War Expenditure Committee now investigating the government's relationships with the Aluminum Co. of Canada.

Mr. Brown gave the committee five reasons why he believed power from Shipshaw would be "entirely superfluous" for some years after the war:

"1. That a very large surplus of power existed in Canada at the outbreak of the war.

"2. That other additions to power facilities during the war in the Quebec area will create an even greater surplus after the war.

"3. That this company's power surplus is unlikely to be used in the production of aluminum because the demand for aluminum to anything approaching the extent of the power surplus after the war is most difficult to visualize.

"4. The power surplus cannot be used in ordinary industrial uses in the Arvida area because power in itself is not a large enough factor in cost to attract industries where markets are small and no special facilities or raw materials exist.

"5. Power cannot be transmitted to any possible market outside the Arvida area except at prohibitive cost."

Cost Estimates Revised

Original estimate of completing Shipshaw was put at $37.5 millions. When war demand for aluminum stepped up power needs and required immediate completion, the figure was raised to $62.5 millions (plus 10% for contingencies).

The latest figure of cost given by Mr. Brown is $71.2 millions. Of this amount, the company is being allowed to write off $41¼ millions by way of special depreciation. This is on the basis of a 60% write-off on $68¾ millions ($62.5 millions plus 10%).

At the end of June, Aluminum Co. of Canada had written off special depreciation of $79.8 millions on its aluminum and power developments, Mr. Brown reported to the committee. The total amount that the company would be allowed to write off under existing arrangements with the company was $158¼ millions of which $117 millions was for plant and remainder for Shipshaw.

Answering the contention that this special depreciation was the same thing as a grant from the Canadian Government to the company, Mr. Brown told the Committee:

"I have taken the view that the money which bought the aluminum was not our money, it was foreign money. If those purchases had not been made by the foreign governments under the understanding that plant facilities would have been created there would have been no plant facilities and there would have been nothing to tax and therefore these facilities have actually been financed entirely by money from foreign countries.

"Entirely British and entirely United States money has gone into creating these ingot facilities and these power facilities. The deals were made by these countries with the Aluminum Co.; there could be no production without facilities.

"All we have done when we have allowed tax exemption, a tax compensation if you like to call it that, is facilitated the arrangement made by other countries. It was not our arrangement at all, it was not our money; all we have said is that we would not queer the deal by the application of our tax situation."

Reviewing the production of aluminum in Canada, Mr. Brown pointed out that in 1914, Canada produced 6,600 metric tons of aluminum annually, or roughly 11% of world production. In 1929, world production had reached 266,600 tons with the Canadian total about 28,800 tons, or again 11% of world output. By 1927, Canada had secured 15% to 16% of the world market.

Only 4% to 5% of Canadian production was consumed in Canada with the best pre-war year 1929, when we consumed just over 15 million lb.

Between 1939 and 1943, Canadian production has risen from 165 million to over 1,000 million lb. annually. Mr. Brown stated that it takes $500 per annual ton to provide pot lines and other facilities necessary for the production of aluminum.

So far as power facilities were concerned, Mr. Brown stated that prior to the war there was a power development of the Saguenay Power Co. at Isle Maligne with rated capacity of 540,000 h.p. of which 100,000 h.p. only was contracted for by Aluminum Co. At Arvida there was a half-completed development at Chute-a-Caron which was started in 1928, producing 260,000 h.p. This proved superfluous until the war demand for aluminum started in 1937 and 1938. In 1933, production of aluminum dropped to 15,100 tons a year which would have taken only 50,000 h.p. In 1938, the company began to use Chute-a-Caron power. Until then, the 260,000 h.p. from Chute-a-Caron was surplus and was "dumped."

September Rise In Hydro Load

The monthly summary of loads released by The Hydro-Electric Power Commission of Ontario records a primary load increase of 1.8% or approximately 40,000 h.p. for Sept., 1943, as compared with the corresponding month of last year.

Based on the maximum 20-minute peak horsepower load for the period, the summary portrays load conditions on all four Hydro systems and the northern Ontario properties.

Maximum 20-Min. Peak H.P.	Sept. 1943	Sept. 1942	% Incr.
Primary Load:			
Niagara System	1,674,933	1,636,193	2.4
East. Ont. Syst.	206,452	186,177	10.9
Georgian Bay S.	52,772	48,139	9.6
Thunder Bay S.	101,233	100,871	.4
Nor. Ont. Prop.	189,675	213,451	—11.1
Total all systems	2,225,065	2,184,831	1.8
Primary and Secondary Loads:			
Niagara System	1,694,772	1,667,024	1.7
East. Ont. Syst.	206,452	186,177	10.9
Georgian Bay S.	52,772	48,139	9.6
Thunder Bay S.	121,635	103,579	17.4
Nor. Ont. Prop.	249,192	263,853	—5.6
Total all systems	2,324,823	2,268,772	2.5

Weston Profits Up Over 1942

Net profit of $512,413, equal, after preferred dividends, to $1.10 a share on the common stock, is reported by George Weston Ltd. for the nine months ended Sept. 30, 1943. Net for the period is after all charges including estimated income and excess profit tax of $1.8 million.

Net profit for the nine months Sept. 30, 1942, of $480,544 was equal to $1.02 a share on the common stock and was after providing estimated income and excess profit tax for that period of $587,330.

Nine Months Ended Sept. 30	1943	1942
Net operating profit	$2,587,590	$1,305,900
Less: Depreciation ...	246,520	238,026
Inc. & E.P.T. (est.)	1,828,657	587,330
Net profit	512,413	480,544
Per common share ..	$1.10	$1.02

The Week in Business

	Sept.	Aug.	July	June	Year Ago
Financial Post Production Index	258.9	255.5	254.4	252.7	222.6
National income, D.B.S. (c)	....	§744	§749	§752	634
Dom. war expend. (million $) ..	247.2	436.3	264.2	256.3	130.9
Dom. total revenue (do.)	215.9	208.7	283.0	198.8	162.4
Dom. total expend. (do.)	389.8	470.3	498.9	322.0	319.0
Dept. store sales index no.	....	147.1	144.7	130.9	154.5
Retail sales index no.	....	162.0	155.4	155.5	162.4
Wholesale sales index no.	....	170.8	170.5	174.3	157.4
Country store (% change pr. yr.)	....	+7.7	+17.6	+14.9	+10.0
Divd. payment index♣	124.0	124.2	124.2	123.5	123.5
Bank deposits (1935-39=100) ...	170.7	169.9	176.0	....	170.1
Cash and cheque pay. index	....	161.3	174.7	171.3	138.6
Bank debits (1935-39=100)	....	157.1	158.2	147.5	136.0
Money supply (c)	....	4,735	4,851	4,883	3,772
NEWSPRINT % OF CAPACITY—					
Production ratio	70.7	70.1	70.9	69.6	72.4
Shipment ratio	68.7	70.4	76.8	72.7	82.1
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	148.4	182.8	187.7	201.4	127.1
Cars (D.B.S. index)	122.9	138.7	148.0	147.0	117.4
COST OF LIVING—					
D.B.S. index	119.4	119.2	118.8	118.5	117.4
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	185.9	183.7	181.2	177.8
Manufacturing	....	227.7	226.5	224.2	212.1
Payrolls (June 1/41=100) (b) ...	....	149.5	145.7	143.6	131.6
Payrolls (1937=100) (a)	....	215	226	225	202

RAILWAYS—	1943	1942	1943 Jan. 1 to date	1942 Jan. 1 to date	Change %
■Carloadings (week Oct. 16)	66,046	69,198	2,732,583	2,703,327	+1.1
■C.P.R. gross (week Oct. 21) $	5,881,000	5,088,000	233,901,000	202,359,000	+15.6
■C.N.R. gross rev. .... (Sept.) $	36,946,000	33,860,000	326,949,000	270,827,000	+20.7
■C.N.R. net rev. .... (Sept.) $	9,425,000	8,832,000	72,118,000	62,761,000	+14.9
C.P.R. gross rev. .. (Aug.) $	26,855,759	22,053,767	189,729,872	165,012,867	+14.9
C.P.R. net rev. .... (Aug.) $	3,843,887	3,220,030	28,977,096	28,436,564	+1.9
IRON AND STEEL—(August)—					
Pig iron production (tons)	164,906	162,578	1,184,064	1,308,731	—9.5
Steel production ... (tons)	246,820	248,868	1,996,481	2,064,666	—3.3
CONSTRUCTION—					
Contracts awarded . (Sept.) $	15,570,600	29,675,100	160,729,600	228,486,900	—29.7
Building permits .. (Aug.) $	7,080,395	8,342,168	52,195,351	70,321,194	—25.7
■Cement prod., bbls. (Aug.)	952,500	1,230,065	4,888,326	5,938,311	—17.6
AGRICULTURE—					
Flour prod., bbls. .. (Aug.)	1,888,030	1,820,199	15,992,768	13,135,626	+21.7
Cattle sales▲ ...... (Sept.)	116,256	86,645	816,033	794,710	+2.7
Hog sales▲ .... (Sept.)	524,862	460,407	4,676,756	4,400,396	+6.2
SEA FISHERIES—‡					
■Catch, cwts. ...... (July)	1,659,279	1,387,400	5,344,855	5,804,685	—7.9
■Landed value ..... (July)	6,570,634	5,097,200	21,387,627	15,550,040	+37.6
NEWSPRINT—					
Production, tons ... (Sept.)	251,827	257,618	2,217,432	2,410,209	—8.0
Exports, tons ..... (Sept.)	227,775	275,791	2,102,322	2,263,179	—7.1
MINING AND OILS—					
Coal prod., tons .... (Aug.)	1,426,032	1,468,448	11,685,386	12,434,353	—6.0
Gold rec. (fine oz.) (Sept.)	286,771	382,880	2,788,396	3,547,871	—21.4
Petroleum prod., brl. (July)	831,412	869,034	5,869,282	6,109,072	—3.9
ELECTRIC POWER OUTPUT—(August)					
Total monthly 1,000 kw.h.'s	3,428,513	2,989,690	26,456,985	24,567,745	+7.7
OTHER INDUSTRIAL FACTORS—					
Shoes, prod., pr. ... (July)	2,777,758	2,773,334	23,028,795	21,864,466	+5.3
Cotton consump., lb. (Sept.)	15,009,743	15,824,873	138,765,250	148,371,065	—6.4
■Cigarette cons. No.† (Sept.)	923,,720	890,109	8,204,882	7,221,828	+13.6
FINANCE—					
■Bank debits† ...... (Sept.) $	4,485,004	3,516,107	38,378,604	32,291,692	+18.8
Bond sales† ...... (Sept.) $	750,202	255,223	4,394,117	2,844,274	+54.5
Life insurance sales (Aug.) $	45,612,000	39,963,000	377,715,000	323,611,000	+16.7

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▲Total at yards and plants. ■New items for week.
♣Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries. §Estimated.

MacLeod-Cockshutt Gold Mines recovery dropped below the half million mark in the September quarter, $485,629 being recovered from 39,095 tons of ore milled, an average of $12.42 a ton. In the preceding quarter $583,088 had been recovered from 54,068 tons of ore, an average of $10.78 a ton.

DIVIDEND NOTICES

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share on the Outstanding No Par Value Shares of this Company has been declared for the Quarter ending 31st October, 1943, payable 25th November, 1943, to Shareholders of record at the close of business on the 30th October, 1943.

By Order of the Board,
F. W. EVENS,
Secretary.

Montreal, Que.,
26th October, 1943.

Hayes Steel Products Limited

Notice is hereby given that a dividend of fifty cents (50c) per share has been declared by the Directors of the Company, payable on the 12th day of November, 1943, to shareholders of record on the 1st day of November, 1943.

By order of the Board,
J. W. PRIMEAU,
Secretary.

The Corrugated Paper Box Company, Limited

PREFERRED STOCK DIVIDEND

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of December, 1943, to shareholders of record at the close of business on the 30th day of October, 1943.

Dated the 26th day of October, 1943.

J. A. WHEALY,
Secretary.

Canada Iron Foundries, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 3% on the $100.00 par value 6% non-cumulative Preference Shares of this Company has been declared for the half year ended June 30th, 1943, payable November 15th, 1943, to Shareholders of record October 31st, 1943.

By order of the Board.
M. S. GROGAN,
Vice-President and
Secretary-Treasurer.

Montreal,
October 25th, 1943.

NOTICES

Notice is hereby given that the Zurich General Accident and Liability Insurance Company Limited has received Certificate of Registry No. C832, authorizing it to transact in Canada the business of Fidelity Insurance, in addition to the classes for which it is already registered.

J. H. BURGAR,
Chief Agent for Canada.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the eighth day of December, 1943, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 23rd October, 1943.

DIVIDEND NOTICES

The Dominion Bank

Dividend No. 244

Notice is hereby given that a dividend of two per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 31st October, 1943, making a total distribution of eight per cent for the fiscal year. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of November, 1943, to shareholders of record of the 15th October, 1943.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 9th September, 1943.

Everything's so handy at the ROOSEVELT

Business districts, fashionable shopping centers, Broadway theatres, Radio City . . . By making the Roosevelt your New York headquarters you obtain a perfect combination of efficiency and pleasure . . . appetizing meals, hospitable service . . . Attractive rooms with bath from $4.50.

Guy Lombardo and his Royal Canadians in the ROOSEVELT GRILL
WALTER PERNER and his orchestra alternating

25% reduction on room rates to men in the Armed Forces

HOTEL ROOSEVELT
MADISON AVE. AT 45th ST., NEW YORK
Direct Entrance to Grand Central Terminal
—A HILTON HOTEL—
ROBERT P. WILLIFORD, General Manager

● The M-H Robot now rides with Allied air crews . . . as bombing pilot. So accurate is his aim that he can almost drop a bomb in Hitler's vest pocket. To him goes much credit for the recent pummelling Germany has taken from the air.

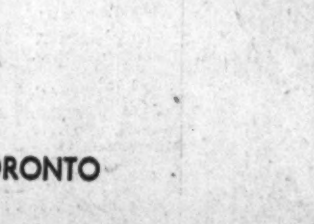
Technically known as the Autopilot, it is an ingenious, electronically controlled device which provides a stable platform for high altitude bombing of vastly increased accuracy. The Autopilot holds the bomber on the designated course without wavering, regardless of wind velocity or flak. This invention is said to be equivalent to a material increase in the number of planes participating in an attack.

One of the best kept military secrets, the Autopilot was created in the research laboratories of Minneapolis-Honeywell, pioneers in applying an electronic base to automatic controls. The same engineering ingenuity that accounts for the minute precision of the Autopilot goes into controls made for home and industry.

If there is a problem in your plant that requires precision control of temperature and humidity, or the flow of liquids or gases, tell your troubles to an M-H Engineer. He will show you how Brown M-H Industrial Controls can be properly applied to solve your problem. Write or call Minneapolis-Honeywell Regulator Company Limited, 117 Peter St., Toronto.

MINNEAPOLIS-HONEYWELL
Regulator Company Limited

Branches: MONTREAL — CALGARY



FOUNDATION for the FUTURE

A swell picture, isn't it? Mother sitting on the front porch. My boy, Tony, home from overseas and sunning himself out there on the raft with his wife Sally. Their two kids building sand castles on the beach. Plenty of gasoline in the car and four new tires. Funny . . . this is just the way I dreamed it . . . back in the war years. Every time I bought a Victory Bond I knew my dream was getting closer to reality. It was the best thing I ever did . . . buying those Victory Bonds. I like to think that my little support helped to speed the victory. And as you can see the Bonds built a real foundation for the future.

THE FOUNDATION COMPANY OF CANADA LIMITED
GENERAL CONTRACTORS

TORONTO MONTREAL HALIFAX

We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Gives Wife Bonds

This year I turned over a large block of bonds to my wife. Will she have to pay income tax on the interest?

No. The interest on these bonds is considered part of your income and liable to income tax in your hands. If your wife inherited the bonds from somebody else, or if she bought them with money she earned herself, the interest would be her income and she would then be liable for the tax on them.

Accrued Interest

I am executor of the estate of a man who died Aug. 27, 1943. Among his assets he had a $1,000 Victory bond, drawing interest at 3%. The June 15 payment was received before death amounting to $15. Interest accrued from June 15 to Aug. 27. was $6. When making up this man's income tax for 1943 do I show on tax form the $15 or do I include the $6, making a total of $21? I understand income after death is considered estate income. Is this correct?

When making up the deceased's income tax form you should include the $15 paid and the $6 interest accrued, or $21 in all. The $6 is part of the deceased's income just like the $15 and as such subject to income tax. After his death it forms part of the capital of the estate. Interest accruing after the death of the owner of the estate is income of the estate and as such, it is understood, is taxable in the hands of the residuary legatees or of beneficiaries having a life interest in the estate.

Depreciation Charges

We are contemplating selling our business. We have several pieces of improved real estate on which we have been writing off depreciation during the past five to 13 years. If we sell out now at original cost price, what effect will this have on our income tax? Our business is an unincorporated partnership.

As your business is an unincorporated partnership, selling the properties at original cost price, it is understood, will have no effect on your income tax. Even though you have written off depreciation each year and then sell at original cost, the selling price will all be considered as capital return. If your business was an incorporated company, and the assets being distributed, then the amount of depreciation written off, but returned in the selling price, might be treated in part at least as income and taxed.

INVESTMENTS

British Dominion

Investment dealers here in New York have recommended that I purchase shares in British Dominion Oil & Development Corp. which they say is one of the leading operators in Turner Valley. Will you give me some details of the company's present position and prospects?

British Dominion Oil & Development Corp. owns approximately a half net interest in, or a minimum of 40% of the production of, British Dominion No. 5 well, largest producer in Turner Valley, and a similar interest in British Dominion Nos. 6 and 7 wells now being drilled. The company also holds an option to sublease from Home Oil Co. (and thereby to acquire further similar interest in) any one or all of 11 additional legal subdivisions (that is, well locations) in section 17. Other holdings include acreages in the Moose Dome and Jumping Pound areas.

It is expected that Nos. 6 and 7 wells will be completed about next February. Total loans payable were reduced by $31,345 principal amounts in the four months' period ended July 31, 1943, to $97,221. The company is using bank credit to partly finance the drilling of its No. 6 and 7 wells and at July 31, 1943, the bank loan, part of the secured loan of $97,221, stood at $25,000.

Considerable interest has followed the activities of British Dominion Oil Co. and unquestionably a real improvement in financial and operating positions has been experienced the last year, particularly since bringing in the No. 5 well which turned out 28,200 barrels of oil in August and 25,194 barrels in September when the well was closed down for two days. If the two wells now being drilled prove as prolific as the No. 5 well, the company should be able to strengthen its financial position still further, facilitating the drilling of more wells as directors consider advisable.

Hollinger Consolidated

I have been seriously disturbed by the lower earnings being experienced by Hollinger Consolidated Gold Mines. Does this represent purely a war condition or is it because the mine is getting old, and has exhausted its better grade ores?

While Hollinger Consolidated Gold Mines has been forced to reduce its milling rate from 4,800 tons daily to 2,700 tons daily due to shortage of labor, there are no indications that the company will not be able once again to mill 4,800 tons of ore daily when conditions become normal. Since the grade of ore in reserve is substantially greater than the average grade treated in recent years, the company stands an excellent chance of restoring its former earning position although higher taxes must be expected.

Available ore reserves are in the neighborhood of five years' milling requirements at the rate of 4,800 tons daily. Although the company is one of the oldest producers in Canada, there are no significant indications as yet of depletion. Exploration has revealed the downward continuation of the main ore zones with good gold values and it is noteworthy that a large proportion of ore milled in recent years has represented lower grade drawn from old stopes of the upper horizons of the mine.

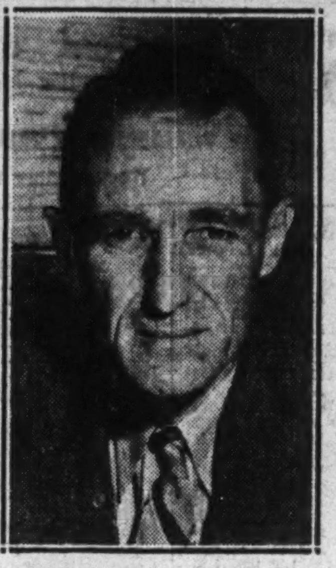
Broulan Porcupine

Can you tell me if Broulan Porcupine Mines has ever found anything in the outlying northeastern section of its property? It seems to me that this would be interesting prospecting ground in view of its location with respect to Pamour Porcupine Mines.

Horizontal diamond drilling carried out for the 600-ft. level of Pamour Porcupine Mines returned three intersections of ore in the north west corner of Broulan Porcupine Gold Mines outlying northeast claim and a long drive put out from the Broulan workings at the fourth level is expected to reach the area of these ore intersections around the end of this year. The three ore intersections which indicated a possible ore length of 250 to 300 ft. at the 600-ft. horizon were as follows: 12 ft. averaging .273 oz. gold cut grade per ton; 8.5 ft. averaging .213 oz. gold cut grade per ton; and 3 ft. averaging .213 oz. gold per ton; and 3 ft. averaging .24 oz. gold per ton.

The drift heading in this sector is being continued at a rate of approximately 150 ft. a month and maintenance of this rate will see the drive at its objective around the year end. The management is making no predictions as to the extent of any ore which may be found in this sector. It is not known definitely whether or not the ore-bearing structure will continue downward in the company's property or may dip into Pamour ground at depth. If the dip should be into Broulan ground, the ore length on Broulan would likely be increased.

Other work on the east claim did not reveal very much but some values were secured in drilling which warrant exploration later on.



MANAGER

F. J. Sutton, who has been appointed manager of Dominion Plywoods Ltd. Mr. Sutton has been Administrator of Wooden Containers and Woodenware under WPTB.

Freight Men Asked to Help

Acute Need for Box Cars to Move Grain, Say Controller Lockwood

From Our Own Correspondent

MONTREAL.—All freight shippers in eastern Canada are asked to withhold shipments as much as possible during the next seven weeks to free equipment for the movement of this year's grain crop from the Prairies. Shippers also are requested to make a quick turnaround of such freight cars as they may receive.

In appealing for the co-operation of shippers, Transport Controller T. C. Lockwood says well over 100 million bushels of grain must be moved to the lake head and to eastern Canada between now and the close of inland navigation; a movement requiring the daily loading on the Prairies of 1,400 railway cars for the next seven weeks.

This movement made it necessary, says Mr. Lockwood, for the railways to transfer from the East the largest number of box cars possible and send cars to Georgian Bay and lake and river ports to move grain to designated storage places as it came off lake carriers.

"The extremely short crop of coarse grains in Ontario, Quebec and the Maritimes has necessitated the movement of feed grain from the West to take care of hogs, cattle and poultry in eastern Canada, and at the same time enable the Canadian government to fulfill commitments to Britain and the allies for meats, cheese, eggs, flour, etc." he said.

Board Defers Bonus Decree

From Our Own Correspondent

MONTREAL.—Decision concerning retroactive payment of cost-of-living bonus to employees of three Montreal aircraft plants has been reserved by the National War labor Board.

Union representatives of some 20,000 employees of Fairchild Aircraft, Noorduyn Aircraft and Canadian Vickers ask that the board make payment of the full bonus of $4.25 a week retroactive to July 1, 1942, instead of to March 23, 1943, the date set in a judgment of the board last March.

Employees at that time were receiving a bonus of $1.50 a week and the board ordered payment of the full bonus from March 23, the date of an amendment to wage control legislation on which the board's finding was made.

According to Mr. Justice C. P. McTague, Board Chairman, it was the desire of the board to make the payment retroactive to the earlier date but this action has not been taken because there did not appear to be authority.

Chief spokesman for the employers group, R. H. Bedell, said the companies had agreed on wage adjustments being retroactive and were satisfied to leave decision on the effective date of the full bonus to the board.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

Supplies. M & S Order No. C. S. 2-A, April 1, rescinds Order No. C. S. 2. Deputy-Controller of Supplies, G. P. Kaye.

* * *

Supplies. M & S Order No. C. S. 20A, April 1, rescinds Order No. C. S. 20. Deputy-Controller of Supplies, G. P. Kaye.

* * *

Glycerine. M & S Order No. C. C. 2-B-1, Aug. 31, amends Order No. C.C. 2-B dealing with glycerine, and restricts to 70% of 1941 figures the extent to which persons can consume or deal in glycerine, not including manufacturers of explosives. Controller of Chemicals, E. T. Sterne.

* * *

Coal. M & S Order No. Coal 8, Sept. 27, deals with the distribution of anthracite coal to co-ordinate Canadian regulations with orders to producers and wholesalers in the United States. Coal Controller, E. J. Brunning.

* * *

Zinc, Zinc Oxide and Zinc Mill Products. M & S Order No. M. C. 12-B, Oct. 1, regulates use of zinc and prohibits purchase by unauthorized persons. Metals Controller, G. C. Bateman.

* * *

Maximum Prices of Sausage. WPTB Order No. 328, Oct. 12, provides that the maximum price of sausage in brine shall be the maximum price of the same sausage not sold in brine. D. Gordon, Chairman.

* * *

Respecting Seeds. WPTB Order No. A-920, Oct. 12, revokes and replaces Administrator's Order No. A-446 and fixes maximum retail prices on the kinds of seeds named thereunder. Seeds Administrator, Nelson Young.

* * *

Maximum Prices for Atlantic Coast, Fresh, Frozen and Smoked Fish. WPTB Order No. A-917, Oct. 12, replaces Order No. A-564 insofar as the present order applies to fish and fish products covered by Order No. A-564. Administrator's Order No. A-732 is revoked. It also removes maximum price exemptions for producers and processors as in Section 3 of Order No. 189 as they apply to fish and products covered in present order. Administrator of Fish and Fish Products, A. Neil McLean.

* * *

Dried Fruts. WPTB Order No. A-925, Oct. 16, amends Order No. A-553, Section 1, clause (b) and Section 5. The principal amendment removes the previously effective time limit. Administrator of Imported Grocery Items, A. S. May.

* * *

Maximum Prices of Grapefruit and Lemons. WPTB Order No. A-927, Oct. 16, provides regulations for fixing maximum prices for grapefruits and lemons and provides directions for handling records. Administrator of Fresh Fruits and Vegetables, E. J. Chambers.

* * *

Domestic Supply of Hog Bristles. WPTB Order No. A-928, Oct. 16, deals with recovery of usable bristle from hogs slaughtered in Canada by requiring that such bristle be collected by hog slaughterers. Maximum prices are set for such bristle. Administrator of Furniture and Brushes, James E. Ferguson.

* * *

Maximum Prices of Potatoes. WPTB Order No. A-929, Oct. 18, sets maximum prices for all types of potatoes except sweet potatoes and yams. Provisions deal with prices charged by shippers, wholesalers and retailers and also with packaging, pricing of off-grades, handling of records, etc. Administrator of Fresh Fruits and Vegetables, E. J. Chambers.

* * *

Coal. M & S Order No. Coal 9, Oct. 20, provides that deliveries of coal be made to consumers so that those with less than one quarter of the season's supply on hand shall get priority in deliveries. Coal Controller, E. J. Brunning.

* * *

Prices of Dressed Poultry and Live Poultry. WPTB Order No. A-930, Oct. 18, revokes section 14, Order No. A-893, respecting sales of drawn dressed poultry, and allows an extra charge of 10c a bird for such service. Administrator of Meat and Market Products, F. S. Grisdale.

SOOTHE IRRITATED EYES

To get quick relief from overworked, smarting eyes, just put two drops of Murine in each eye. All 7 Murine ingredients soothe, cleanse, relieve irritation. Make your eyes feel easy and refreshed. Thousands are using Murine. Let it help *your* eyes!

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MURINE FOR YOUR EYES (Made in Canada)

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2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

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Head Office, 320 Bay St., Toronto

Assets Exceed $62,000,000

We Manufacture Envelopes for every purpose

Barber-Ellis of Canada, Limited

TORONTO - BRANTFORD

BRANCHES FROM COAST TO COAST

Clothes by Levy Bros. Makers Mens Clothes

Are a Sound Investment

At a time when economy counts, it pays to order clothes that, because of their fine fabrics and workmanship, will continue to look well and feel well long after other clothes are discarded.

Choose now from our collection of distinctive British materials.

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THE ONTARIO LOAN AND DEBENTURE CO

LONDON CANADA

Established 1870

DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED

Deposits and Debentures (31 Dec., 1942) $12,389,021

Today, as Yesterday

This Company seeks to maintain the best traditions of Trusteeship, to serve its clients faithfully and efficiently. Satisfactory service is the foundation of the large volume of trust funds under our care and management.

We Invite Consultation.

Montreal Trust Company

ESTABLISHED 1889

Montreal Trust Building, Toronto

Guaranteed Deposit Certificates

(in passbook form)

pay the good interest rate of—

2½%

per annum half-yearly

on $500 and over

You may have all or any part of your money on 10 days' notice.

Idle funds, if put to work, will help to meet higher living costs and taxes.

The CANADA TRUST COMPANY

London, Windsor, Regina, Toronto, St. Thomas, Edmonton, Hamilton, Chatham, Vancouver, Montreal, Winnipeg, Victoria

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING OCTOBER 25

Range 1943 High	Low	Div. Rate $	Oct. 23 Y'ld %	Company	Sales	Last Oct. 18	Week end. Oct. 25 H	L	Cl'se
4.25	.59	..	..	Abitibi	1281	2.75	2.75	2.25	2.73
[illegible]									

- • Participating. † Interim dividends paid in 1943. ‡ On arrears. • Net after corporate income tax. * Paid in 1943. ¶ Initial.

Mining Stocks

Week Ending October 25

Range 1943 High	Low	Div. Rate	Yield %	Company	Sales	Last	Week Ending Oct. 25 High	Low	Close
[illegible]									

Oil Stocks

Range 1943 High	Low	Div. Rate	Yield %	Company	Sales	Last	High	Low	Close
[illegible]									
.12	.05	....	....	McD. Segur	1,300	.08	.07½	.07½	.07¾
.29	.20	†.02	....	Model	300	.25	.23	.23	.23
.11½	.05	....	....	Nat. Pet.	2,000	.11	.11	.11	.11
.07	.02⅞	....	....	Oil Select.	1,000	.04	.04	.03⅞	.03⅞
.79	.38	....	....	Okalta	4,550	.74	.73	.66	.67
.09	.03⅞	....	....	Pacalta	10,000	.04⅞	.05	.04	.04½
.53	.20	....	....	Pac Pete.	2,000	.40	.50	.50	.50
.04¾	.03	....	....	Royal Can.	2,000	.04	.03½	.03½	.03½
26.50	21.00	1.00	4.3	Royalite	80	23.00	23.75	23.00	23.75
.08	.03½	....	....	South End	6,500	.05½	.05	.05	.05
.40	.20	....	....	So. West Pete	2,200	.25	.35	.24	.35
.12	.08	.02½	....	Sunset	2,000	.08	.08	.08	.08
.10	.04⅞	....	....	United Oils.	1,000	.08	.07½	.07½	.07½
.09½	.06	....	....	Vanalta	2,000	.07½	.07¾	.07¾	.07¾
.36	.09½	....	....	Vermilata	146,100	.32½	.33	.23½	.26
.36	.18	....	....	Vulcan	1,000	.20	.20	.20	.20

* Yield including bonus. *Paid in 1942. † Interim paid in 1943.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Oct. 26	25,400	30,900	319,000	......
Oct. 25	14,900	8,400	277,000	......
Oct. 23	4,800	1,400	154,000	46,845
Oct. 22	11,100	8,500	244,000	20,285
Oct. 21	17,100	6,300	259,000	6,663
Oct. 20	12,200	7,900	253,000	9,805

Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)

Oct. 26, 1943

%	Due	Bid	Ask
2	June 1944	100⅜	101½
1½	Sept. 1944	100	100⅜
4½	Oct. 1944	103	103⅜
2½	Nov. 1944	101	102
2	Mar. 1945	100½	101½
2	Dec. 1946	100	100⅜
4½	Feb. 1946	106	106⅜
2½	Mar. 1948	100	101
1½	May 1946	99⅜	100½
a2½	Jan. 1948	103½	104½
3½	June 1949	102⅜	103⅜
3½	Oct. 1949	101⅜	102⅜
a3	June 1951	102½	103½
3½	Nov. 1951	103½	104½
3½	Feb. 1952	104	105
3	Oct. 1952	101½	102½
4	Oct. 1952	106	107
a3	Jan. 1953	104½	105⅜
3	June 1955	100	101
a3	Nov. 1956	100	101
4½	Nov. 1956	106⅜	107⅜
4½	Nov. 1957	107½	108½
a3	Mar. 1954	101½	102½
a3	Jan. 1958	103	104
3	June 1958	99⅝	100½
4½	Nov. 1958	108½	109½
4½	Nov. 1959	109½	110½
a4	Oct. 1960	109	110
a3½	Jan. 1961	105	106½
3½	June 1966	102	103
a3e	Jan. 1967	102⅜	103⅜
a3e	Nov. 1968	102⅜	103⅜
†3	Perpetual	94⅜	95⅜

Dominion Guarant'd Bonds
Can. Natl. Railways:

%	Due	Bid	Ask
2½	Jan. 1946	100⅜	101⅜
3	May 1944	100⅜	101⅜
3	Dec. 1950	101	102
3	Jan. 1959	99	100½
[illegible]			
5	Feb. 1954	117½	119½
*5e	July 1969	117½	119½
*5e	Oct. 1969	128	130
*5e	Feb. 1970	128½	130

Can. Nat. W. Ind. S.S.:

%	Due	Bid	Ask
5	Mar. 1953	130	132

Grand Trunk Pacific Rly.:

%	Due	Bid	Ask
*3	Jan. 1962	110	111½

Provincial Gov't Bonds

%	Due	Bid	Ask
New Brunswick:			
4	Nov. 1947	112½	115
3	Oct. 1951	98	100
3½	Aug. 1949	99	101
3½	June 1956	99½	101½
4½	Apr. 1961	120	123
c5	Jan. 1960	126	129
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100½	102½
3½	Nov. 1950	103	105
*4½	Sept. 1952	117½	119⅜
c4½	Nov. 1960	125½	128
c5	Mar. 1960	131	133
Ontario:			
2½	May 1945	100	101½
3	Apr. 1948	100⅜	102½
3	Nov. 1950	99⅜	101½
3½	Nov. 1951	101	102½
3½	May 1955	100⅜	102½
4	June 1962	121½	125
4½	June 1950	108½	110
*4½	Jan. 1962	128½	131
5	Oct. 1948	109½	110⅜
*5	Dec. 1960	135	137
*5½	July 1946	107½	108⅜
Ont. Hydro Commission:			
3	Aug. 1948	100⅜	102½
3½	Feb. 1953	100⅜	102½
3½	Apr. 1947	103½	104⅜
Prince Edward Island:			
[illegible]			
Quebec:			
3½	Mar. 1959	100½	102½
4	Nov. 1952	103½	105½
3⅜	Feb. 1955	102½	104½
4½	Aug. 1958	107	109
4½	Jan. 1963	111½	113½
Alberta:			
4½	Oct. 1956	84½	[illegible]
4	Dec. 1954	81½	[illegible]
*5	Oct. 1959	85½	[illegible]
c5½	Apr. 1952	86½	[illegible]
6	Mar. 1947	85½	[illegible]
British Columbia:			
4	Dec. 1957	115½	[illegible]
*4½	Jan. 1951	118½	121½
c4½	Oct. 1953	120	122
c5	Apr. 1954	123	126
5½	Feb. 1945	102	104½
6	Feb. 1947	107½	110
Manitoba:			
c4	Dec. 1957	109½	112½
c4½	Dec. 1956	113½	116½
*5	Dec. 1959	119½	122½
5½	Oct. 1955	112	115
6	Apr. 1947	106	108
Saskatchewan:			
4	Sept. 1954	89	92
4	Nov. 1960	88	91
c4½	Oct. 1961	101½	104½
c4½	Mar. 1960	97½	100½
5	Aug. 1958	98	101
5½	Oct. 1952	99½	102½
6	Mar. 1952	100½	103½

*-Payable Can., N.Y. & [illegible]. c-Payable Can. & N.Y. a-Payable N.Y. †Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. Δ-Calculated [illegible] average maturity. [illegible] maturity at 101.

Unlisted Stocks
(Furnished by A. J. Pattison Jr. & Co., Toronto)

Oct. 26, 1943

Industrial:	Bid	Ask
[illegible]		

Unlisted Mines
Toronto, Oct. 26, 1943

	Bid	Ask
[illegible]		
Cheminis	.13	.14
Classic S	.17	.20
Clift Con	.13	.16
Cock R L	.05½	.06
Coin Lake	.10	.11
Columbier	.15	.18
Con Chib	.11	.15
Hugh P P	.06½	.08
Laguerre	.20	.22
L Geneva	.04	.06
Lar-Add	.07	.09
Larder U	.12	.15
Largold	.17	.20
Legardo	.16	.19
Magn Con	.25	.27
North Tin	.01½	.02½
Oklend	.05½	.06½
O'L Mala	.05½	.06½
Opemiska	.07½	.09
Orpit	.04½	.05
Pacific R	.80	.85
Pascalis	.31	.34
Pelangio	.08½	.09½
Tom Iron	..	.65
Tombill	.10	.12
Tovarich	.12½	.13½
Un Mining	.06	.08
Wesley	.02½	.02½
West Shor	.03½	.04½
Y Davids	.28	.30

Oil Royalties
Producing Wells — Prices and Payments

	Sept. daily quota bbls.§	Mar. 15 daily quota bbls.§	June pay. 1% $	July pay. 1% $	Aug. pay. 1% $	Total to Aug. 31 1% $	Offering price* per 1% $
Ace No. 1 gross	300	386	129.08	140.37	147.67	5,435.04	....
Alta. Oil Inc. No. 1 gr.	65	65	26.80	27.60	26.00	3,845.60	1,000
Do., No. 1 net	65	65	21.20	20.40	21.20	4,327.20	....
Do., No. 2 gr.	300	389	140.00	132.60	137.60	5,525.40	4,600
Do., No. 2 net	300	380	121.60	98.40	96.40	6,915.80	....
Allied No. 1 pfd.	80	93	38.86	35.27	37.51	1,822.55	1,100
Arrow No. 1 net	115	135	35.00	18.00	41.00	1,097.15	1,300
Do., No. 2 net	150	170	56.00	51.00	57.00	1,991.20	1,800
Atlas No. 1 net pfd.	80	...	39.20	36.00	17.00	......	....
Atlas-Br. D. No. 2 net	400	450	262.80	199.20	150.00	......	5,400
Atlas-Br. D No. 3 pfd.	350	430	....	63.60	182.80	......	5,700
East Crest No. 5	115	115	63.60	46.40	50.40	824.00	1,800
Empire pfd.■	...	...	....	....	....	......	1,100
Independent No. 1 pfd.	200	200	86.89	102.74	106.43	......	3,300
Do., No. 1 gr.	200	200	82.32	94.34	94.43	2,918.45	3,500
Major Oil No. 1 pfd.	50	95	40.00	13.60	53.20	1,122.50	1,600
Do., No. 1 gr.	50	95	37.60	22.40	46.40	1,951.40	....
Do., No. 2 net	300	350	137.20	104.40	103.60	5,684.80	4,100
Do., No. 2 gr.	300	350	156.60	144.40	138.80	7,367.40	5,000
Do., No. 3 net	450	588	228.40	168.80	168.00	7,995.60	....
Do., No. 3 gr.	450	588	244.80	223.60	223.60	......	....
Do., No. 4 pfd.	45	125	20.40	....	35.60	......	1,200
Do., No. 4 gr.	45	125	30.00	19.20	32.80	......	....
Do., No. 6 pfd.	†	...	....	....	....	......	3,100
Do., No. 6 gr.	†	...	....	....	....	......	6,900
Do., No. 7 pfd.	350	500	272.80	193.60	225.20	2,789.60	6,400
Do., No. 7 gr.	350	...	198.40	168.80	196.40	......	....
Do., No. 7 dfd.	350	500	....	....	....	......	4,200
Do., No. 8 pfd.	180	225	107.20	108.40	114.40	1,120.40	3,500
Do., No. 8 gr.	180	225	89.20	84.40	121.60	1,566.40	3,700
Do., No. 8 dfd.	180	225	....	....	....	......	1,300
Do., No. 9 gr.	200	320	160.80	96.80	124.40	2,294.60	4,400
Do., No. 9 pfd.	200	320	173.60	99.60	129.60	1,163.60	4,100
Do., No. 9 dfd.	200	320	....	....	....	......	1,300
Maryland, pfd.	130	...	....	....	....	......	2,800
Miracle No. 1 net	320	300	104.18	103.60	91.05	5,830.38	3,400
Do., No. 1 gr.	320	300	142.41	143.09	142.40	5,947.59	5,100
Do., No. 2 pfd.	135	200	68.04	71.11	65.44	......	2,300
Do., No. 2 gr.	135	200	57.69	62.61	62.40	‡1,507.38	....
Miracle No. 3 pfd.	300	...	....	....	....	......	2,600
Do., No. 3 gr.	300	...	122.83	138.62	145.66	......	4,400
National Vulcan	150	...	....	....	....	......	2,300
Twin City No. 2 gr.	180	...	93.10	93.47	84.99	......	....

*Approximately 25% over dealers' bid price. § Approximate. ‡ To July 31. † Testing. ■ Ontario Acreage Royalty.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Oct. 25 Bid	Ask
[illegible]				

Supplementary Stock Quotations
(Furnished by Plaxton, McDonnell & Co., Toronto)

October 26, 1943

Miscellaneous Stocks:	Bid	Ask
[illegible]		
†Nor. Amer. Elev. 1st pf.	89	..
*Do., 2nd pref.	27	..
Do., com.	.40	2
Nor. Telephone, c.	1	..
Numaque Mining	.05	..
Pacific Coast Terminals	7	9
Que. Pulp & Paper pfd.	21½	23½
Ritchie Cut Stone pfd.	1½	4
P. L. Robertson Mfg. c	22	..
Do., $2.50 pfd.	43	45½
Sawyer-Massey com.	.55	.95
St. John Dryd. 5½% pfd.	97	100
Sincennes McN. com.	2	2½
Un. Farmers Co-op.	3	3½
Waterloo Mfg., com.	..	5½
York Trading, com.	3½	5

*Issue carries arrears. †Currently paying on arrears.

Mining Stocks

	Div. rate	Last sale	Oct. 25 Bid	Ask
[illegible]				

Municipal Bonds

Oct. 26, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	111.00	114.00	2.72
Montreal	5	1945	98.00	102.00	*
Ottawa	4½	1945	103.00	104.50	2.07
†Quebec	5	1959	118.00	121.00	3.30
Saint John	5	1950	106.00	110.00	3.45
†Toronto	4½	1955	124.00	128.00	1.75
†Vancouver	5	1970	115.00	119.00	3.84
Winnipeg	5	1944	100.00	100.50	2.00

†Payable Can. & N.Y. *Flat.

Bond Tenders

5 p.m., Nov. 2, Mun. Corp. of Pont-Viau, County of Laval, P.Q.—$15,000, 3½ or 4 per cent, dated Nov. 1, 1943, redeemable serially in 20 years. A. Lecomte, sec.-treas.

12 noon, Oct. 28, Canada Treasury Bills —$55,000,000, dated Oct. 29, 1943, payable Jan. 28, 1944.

Oil Stocks

	Div. rate $	Last sale	Oct. 25 Bid	Ask
[illegible]				

*Interim paid in 1943.

Corporation Bonds
(Supplied by Investment Dealers' Association of Canada)

October 26, 1943

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Bid
[illegible]					
♦Do., B	4½	'66	107	109	107
St. Maurice Pr.	4½	'70	103½	105½	103½
Shaw. W. & Pr.	4	'61	103	105½	105½
†Do.	4½	'70	113½	115½	113½
Do.	4	'69	104½	107	105
Union Gas	4½	'50	100½	103	100½
*Twin C. R. Tr.	5½	'52	104½	106½	104½
†United Secs.	3	'52	96	99	96½
‡Wpg. El., ser. A	5	'65	96	98½	96
Do., B	5	'65	93	95½	93
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	73	76	72
Do., C.O.D.	5	'53	72½	75½	72
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	101½	104	101½
†Alta. Pac. Grain	6	'46	105½	107½	105½
Algoma Steel	5	'48	103½	105½	103
Atlantic Sugar	4	'51	101½	103½	101½
†B. C. Pulp & P.	6	'50	96½	99	96½
‡†Do.	7	'50	82	85	80
*Brown Co.	5	'59	80½	83½	80½
Burns & Co.	5	'58	82½	85½	82½
Canada Cement	4½	'51	102½	105	102½
Canada Electric	4½	'65	99½	102½	99½
Can. Paper	4½	'52	85½	88½	100
Can. Steamship	5	'57	104	106	104
Can. Canners	4	'51	102	104	102
*Can. Int. Paper	6	'49	110	112	110
‡Can. Locomotive	6	'53	103½	106	103
‡†Candn. Vickers	6	'47	98	101	98
C. P. R.	3½	'51	101½	103½	101½
Do.	4	'49	105	107	105
†Consol. Paper	5½	'61	85½	88½	85
Dom. Coal	4½	'52	100½	103	100
Dom. Scott. Inv.	4	'52	100	102½	100
Dom. Stl. & C.	6½	'55	104½	107	105
Dom. Tar	4½	'51	103	105½	103
Dom. Woollens	6	'58	99½	102	99½
†Donnacona Pap.	4½	'56	87	90	86½
*Dryden Pap.	6	'49	104½	107½	104½
†East. Dairies	6	'49	92½	95½	92½
Famous Players	4½	'51	103	105	102½
†Federal Grain	6	'49	106½	108½	106½
†Fraser Cos.	6	'50	104	106	104
Galt Brass	5	'50	96½	99½	96½
Gen. Stl. Wares	4½	'52	101	103½	101
*Great L. Paper	5	'55	101	103½	100½
*Gurney Fdry.	5½	'49	95	98	95
†Gypsum Lime	5½	'48	104½	107	104½
Ham. By-Pr. C.	5	'55	103	105½	102½
Do.	6	'56	102½	105	102
Ham. Cotton	4½	'50	101½	..	101½
[illegible]					

Supplementary Bond Quotations
(Supplied by Plaxton, McDonnell & Co., Toronto)

Month-end close and changes from Previous Month-end
October 26, 1943

Miscel. Corp.	Bid	Ask.	Chge.
[illegible]			
‡Prof. Offices, 7% 33-45	54	58½	..
Richmond-Bay 6½%/47	98	100½	..
‡Richmond Bldg., 7% 47	11½	14	..
*St. Cath. Stan., 5%/57	65	..	+1
Staveley Apts., 2½%/49	62	..	..
‡Stk. Exch. Bldg., Vanc., 6%/44	50	54½	+½
Township Sandwich W.	29	32	..
‡Trinity Bldg., 4%/52	11½	14½	+½
Vanc. Georg. H. 6%/47	93½	98	+5½
‡Wel'nton Bldg., 6½% ser.	62	65	..
West. Grn., 5% new bds.	79½	84	—1
Wind. Court Apt. 3%/56	51½	..	+1
W'nipeg El. cont. certs.	39½	42½	..
York St. Bldgs., 6%/43	88	92	..

*Issue carries arrears of interest. ‡Currently paying on interest arrears.

Annual Meetings

1943	Company	Place
Oct. 30	Man. & East. Mines	Toronto
Nov. 5	St. Law. Flour Mills	Montreal
Nov. 9	Credit F. Franco-Can.*	Montreal
Nov. 11	Wright-Harg	Kirkland Lake
Nov. 24	Imperial Bank	Toronto
Dec. 8	Dominion Bank	Toronto

*Special.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid	Ask.	Bid
Mercury Mills	5	'59	101½	104	101½
Mersey Paper	5	'57	96½	99½	96½
†Do.	6	'49	97½	100½	97½
*M. & O. Paper	5	'60	109	111	109
Moirs Ltd.	6	'53	93	..	93
‡Mtrl. Drydocks	6	'48	97	100	96½
Montreal Apts.	4	'54	56	59	56
N. S. Stl. Coal	3½	'63	86	89	86½
Price Bros.	5	'57	101½	104	[illegible]
[illegible]					

Wheat Prices

Winnipeg Grain Futures
Week of October 23, 1943

Crop year from Aug. 1, 1943 High	Low		High for week	Low for week	Close Oct. 25
		Oats*			
.51½	.51½	Oct.	.51½	.51½	.51½
.51½	.51½	Dec.	.51½	.51½	.51½
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	Oct.	.64¾	.64¾	.64¾
.64¾	.64¾	Dec.	.64¾	.64¾	.64¾
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
1.12⅞	.90¾	Oct.	1.12½	1.10	1.11⅝
1.13⅛	.90⅜	Dec.	1.12⅝	1.09⅜	1.11
1.14⅛	.92⅛	May	1.14⅛	1.10⅛	1.11½

* At ceiling.

Cash Quotations

	For Week Oct. 25, 1943 High	Low	Prev week High	Low
Oats*:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W.	1.11¾	1.10¼	1.12⅞	1.07⅝

* At ceiling prices.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 14	Banks 8	Total utilities 18	Total co's 94
*1935 to date: (Base 1935-39=100)												
High	134.5	234.4	149.7	123.7	135.7	118.3	144.8	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
[illegible]												

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	[illegible]
[illegible]	

Montreal Stock Exchange Averages

	[illegible]
[illegible]	

Grain Markets

Big Wheat Movement Starts

Lift Many Rail Restrictions to Get Wheat East

From Our Own Correspondent

WINNIPEG.—A very heavy movement of wheat by lake and rail has commenced from country points in western Canada to eastern lake ports, and is to continue until close of navigation. To make it possible, previously existing arrangements applying to the allocation of railway cars and lake vessels and to quota deliveries of wheat by western farmers have had to be cancelled. Railways are going to make maximum use of cars available on western lines, which will mean concentration of shipments from points where they can be handled most expeditiously. Railway cars will be shuttled back and forth between shipping points in Manitoba and eastern Saskatchewan, exclusive of those in western Saskatchewan and in Alberta, as well as some on branch lines elsewhere.

There is an emergency need for wheat to fill lake tonnage which has been made available by the combined efforts of the governments of Canada and the United States. To meet the situation, it has been necessary to discriminate temporarily against farmers in one part of the West in favor of farmers in other parts. Preference toward the movement of coarse grains has had to be suspended in order to get supplies of feed forward to farmers in eastern Canada.

Shortage At Lakehead

With all the wheat there is in Canada, and with country elevators plugged so full that farmers have as yet been able to deliver only a small part of the crop recently harvested and threshed, the idea of a shortage anywhere in the country is at first somewhat startling. Nevertheless there is such a shortage in the terminal elevators at the lakehead. Unless the railways move there some 60 or 70 million bushels before close of navigation there will not be enough to fill the holds of the vessels coming for it.

Since opening of navigation, wheat has left the terminals more rapidly than it came in. For a while there was a congestion of railway cars at the lakehead where labor shortage made it impossible to unload cars as fast as delivered. That is no longer the case, not so much because of improved labor conditions, as because the terminals have been sidetracked in order to move thousands of cars loaded with feed grain direct to eastern destinations.

The congestion has been eased, but there are only 45 million bushels of wheat in store in terminals at Fort William and Port Arthur as against 121 million bushels a year ago. Much is stored in temporary annexes, which have now been ordered emptied, although it was formerly thought that grain might be held in storage there for another year or more.

British Shipments

Primary demand for wheat in the East arises from having to store it for convenient shipment to Great Britain whenever and from whatever ports ocean freights are available. Second reason is having to keep wheat available for eastern mills, so they may keep grinding to capacity, producing flour both for Canadian consumption and for shipment overseas. Moreover, the United States Government has bought large quantities, and wants to buy more for use as feed in the eastern states, in addition to the big movement which has been under way to Pacific Coast and Mountain states.

The Canadian Wheat Board has had in effect an elaborate system designed to control deliveries into and shipments out of country elevators. It was designed to limit total deliveries by farmers in accordance with Government policy, to equalize deliveries from time to time as between different farmers and different districts. It was also used to balance on a fair basis the allotment of cars among various elevators, and was constantly used to ensure that kinds of grain most in demand should be shipped forward. All this required a somewhat complicated method of authorizations to deliver and to ship grain. It was inconvenient for the railways, which might find themselves called on to make shipments from points to which empty cars would have to be sent especially, while other cars might wait empty for a time at elevator sidings where no authorizations to ship were outstanding. Undoubtedly it slowed down handling of grain by the railways, although the estimate of loss of 25% in the capacity to load cars is perhaps an exaggeration.

Relieve Railways

When it was disclosed an emergency existed and that the railways must be called on to load at least 1,000 cars of wheat a day with only a limited number which can be kept in grain traffic, it was evident that the railways would have to be relieved from hampering restrictions. They have been told to go ahead and get 60 or 70 million bushels of wheat forward as soon as possible. They are to use their own judgment as to the points from which shipments will be made, and few of these will be west of Regina and Saskatoon. Empties will not for the present be sent into Alberta. The only shipments possible from that province will be in cars already in Alberta, or sent in loaded.

Abandon Quota System

Most startling upset will be abandonment for the time being of the quota system.

Farmers living near elevators from which heavy shipments are made will be able to dispose of large quantities of wheat, while those at other points will have to wait until December. No doubt some effort will be made to keep deliveries by any farmer from going beyond the 14 bushels per acre set by the Government as the maximum for the current year.

But even that restriction may go by the board if necessary, in order to get the wanted wheat forward. No doubt after navigation is closed an effort will be made to equalize conditions, and redress the balance in favor of those whose ability to deliver wheat is temporarily interrupted. But if demand for wheat keeps up it is quite possible the quota system will have to be abandoned, with the railways left free throughout the year to service the various shipping stations in the way that will secure the maximum movement of wheat from whatever number of railway cars can be allotted to its movement.

Some Resentful

While some resentment will be felt in areas where grain stocks are temporarily frozen, that will be alleviated by several circumstances. One is the satisfaction of farmers over the recent wheat price advance. Another is the large distribution of money shortly to be made in settlement of old participation certificates. A third is to be found in the large livestock income now being realized by many farmers, especially in Alberta.

Credit institutions expect a considerable increase in the rate at which farmers in Manitoba and eastern Saskatchewan will liquidate debts in the immediate future. Livestock men believe a temporary shutdown on shipments of feed grain out of the country will result in heavier feeding of livestock than might otherwise have taken place.

In Your Opinion

(Continued from page 8)

of its contraction, because at present prices farmers can make more money by selling grain crops direct than indirectly by feeding them to animals.

When we recall the weary years that western farmers waited for a taste of prosperity, how can we expect them to forego an immediate monetary return? However much they may believe in mixed farming as a desirable goal, experience has taught them that just when they have gone "all out," let us say on hogs, the bottom may drop out of the market. With this recollection I repeat that it is natural for them to take the immediate return. The only way to alter this would be to create a reasonably certain future for products other than cash grain crops.

* * *

Hon. J. G. Taggart

Minister of Agriculture for Saskatchewan.

Because of climate and soil, cereals will continue to be the main crops of the prairie region. Relative prices of grains and livestock products will determine whether grains are sold or fed. Long-term guarantees of prices would tend to maintain whichever types of farming received the guarantees. But who can say which products will be mainly in demand in the postwar period?

* * *

C. W. Peterson

Editor, Farm & Ranch Review, Calgary.

The first essential to promoting agricultural rehabilitation and sane policies is to bring home to consumers here and abroad that they have for generations failed to pay sufficient for their goods to repay the farmer the true cost of production, according to Lord Stamp's unassailable conclusions. With fair food prices and the demands of a better-nourished population, our farmers may be depended upon to extend animal husbandry to the limit of the carrying capacity of the land.

* * *

J. S. Woodward

Editor, Star-Phoenix, Saskatoon, Sask.

The only safe way to insure continued expansion of mixed farming in Western Canada after the war is for prices to be maintained at a satisfactory level. If this is not done, the present high level of production will rapidly decline. How to insure this is something that Dominion policy will have to establish.

It may be development of suggested large scale irrigation projects, coupled with a sound policy of immigration, would help. The labor factor will undoubtedly play a major part because it is doubtful if farmers will continue to work their heads off after the war as they are doing now, if an easier life of straight grain production will give reasonably adequate returns.

The new bacon agreement should provide continuing of production of hogs. But increased prices for grain will discourage mixed farming unless dairy and livestock price differentials are wide enough.

* * *

V. A. Porter

Manager, International Harvester Co., Edmonton.

My personal opinion is that mixed farming can be extended and maintained in western Canada only by a proper educational effort; a joint effort of the Federal and Provincial Governments and others; an effort made by qualified people and not a hit and miss program. Only through a continued effort will the West be educated to a properly diversified mixed farming program.

I would suggest special emphasis be laid on educating farm youth and if a Four-H club could be organized and maintained in all districts it would go a long way toward accomplishing desired results and building for better citizenship as well as stability of purpose. I would suggest organizing and fostering Four-H clubs in all districts and follow it through to a successful conclusion.

Dividends Declared

	This payment $	Date payable	Date of record
Alum. of Can., pfd.	1.25	Nov. 1	Oct. 1
Ang. Can. Tel., A	.15	Dec. 1	Nov. 10
Ang. Can. Tele., pf.	.68¾	Nov. 1	Oct. 8
Ault & Wiborg, pf.	.37½	Nov. 1	Oct. 1
Aluminium	2+2	Dec. 6	Nov. 10
Do., pref.	†1.50	Dec. 1	Nov. 5
Atlas Steels	.15	Nov. 1	Oct. 16
Do., 2nd pref.	1.75	Nov. 15	Nov. 1
Aunor Gold M.	.05	Dec. 1	Nov. 8
Bruck S. Mills	▪.10	Dec. 15	Nov. 15
Bank of Montreal	1.50	Dec. 1	Oct. 30
Bank of Toronto	2.50	Dec. 1	Nov. 15
Brazilian Tr. ord.	1	Dec. 1	Oct. 14
Bathurst Pr. & P., A	.25	Dec. 1	Oct. 29
Belding Cort.	1	Jan. 3	Nov. 30
Do., pref.	1.75	Jan. 3	Nov. 30
Blue Ribbon, pfd.	.62½	Nov. 1	Sept. 30
B.C. Tele. 2nd pf.	1.50	Nov. 1	Oct. 17
Can. Fdrs. Forg. A	37½	Dec. 15	Dec. 1
Do. (B)	1.50	Dec. 16	Dec. 1
Caldwell Linen, 1st pf.	.37	Nov. 1	Sept. 30
Do., 2nd pref.	.20	Nov. 1	Sept. 30
Calgary Power, pfd.	1.50	Nov. 1	Oct. 8
Can. Nor. Power	.15	Jan. 25	Dec. 20
Do., pref.	1.75	Jan. 15	Dec. 20
Can. Bakeries, pfd.	1.25	Dec. 1	Oct. 30
Can Bk. of Comm.	1.50	Nov. 1	Sept. 30
Can. Bronze	.37½	Nov. 1	Oct. 11
Do., pref.	1.25	Nov. 1	Oct. 11
Can. & For. Secs.	.06	Feb. 1	Jan. 17
Can. Food Prod.	.50	Jan. 1	Nov. 30
Can. Investors	.10	Nov. 1	Oct. 5
Can. For. Invest. c.	▪1.30	Nov. 1	Oct. 1
Cockshutt Plow	.25	Dec. 1	Oct. 30
Coast Brew.	.03	Nov. 1	Oct. 9
Canadian Oil, c.	.25	Nov. 15	Nov. 1
Crown Cork	.50	Nov. 15	Oct. 15
Can. Int. Inv. Tr. p.	.50	Dec. 1	Nov. 1
Can. Inv. Fd. sp. ord.	.04	Nov. 1	Oct. 15
Consumers Glass	.50	Nov. 30	Oct. 29
Corporate Inv., A, B	.12	Nov. 15	Oct. 29
Cosmos Imperial	.30	Nov. 15	Oct. 30
Dominion Bank	2	Nov. 1	Oct. 15
Dom. Bridge	.30	Nov. 25	Oct. 30
Distillers Corp. pfd.	†1.25	Nov. 1	Oct. 15
Dominion Tar	1.37½	Nov. 1	Oct. 1
Dom. Fabrics	.20	Nov. 1	Oct. 16
Do., 1st pref.	.75	Nov. 1	Oct. 16
Do., 2nd pref.	.37½	Nov. 1	Oct. 16
East. Steel, c.	.25	Dec. 1	Nov. 10
Gen. St. Wares, p.	1.75	Nov. 15	Oct. 22
Granby Cons. M. S.	▪†.15	Dec. 1	Nov. 15
Gordon & Belyea, A	2	Nov. 1	Oct. 22
Do., B com.	.40	Nov. 1	Oct. 22
Hollinger Cons.	.05	Nov. 4	Oct. 21
Howey Gold	.01	Dec. 10	Oct. 30
Hudson's Bay, pfd.	10s	Jan. 1	....
Imperial Bank	2	Nov. 1	Sept. 30
Int. Metal. pf. A pf.	1.50	Nov. 1	Oct. 15
Inter. Nickel, pf.	†1.75	Nov. 1	Oct. 4
Int. Util., pr. pf.	†.87½	Nov. 1	Oct. 21
Kirkland Lake G.	.02	Nov. 4	Oct. 1
Langley's pref.	▪.50	Dec. 11	Dec. 3
Laura Secord	▪.20	Dec. 1	Nov. 1
London West. Trust	1	Nov. 15	Oct. 31
Leitch Gold	.02	Nov. 15	Oct. 15
Loblaw Groc., A, B	.25+.12½	Dec. 1	Nov. 2
Montreal Cottons	1	Dec. 15	Nov. 15
Do., pref.	1.75	Dec. 15	Nov. 15
McIntyre Porc.	.55½	Dec. 1	Nov. 1
Do., extra	1.11	Jan. 3	Nov. 1
Nern Pr. W. Can. p.	1.50	Nov. 1	Oct. 15
Ogilvie Flour, pf.	1.75	Dec. 1	Oct. 29
Ont. Silknit, pfd.	▴1	Nov. 15	Nov. 1
Ont. Steel Prod.	.25	Nov. 15	Oct. 15
Do., pref.	1.75	Nov. 15	Oct. 15
Paymaster Cons.	▪.01	Jan. 10	Dec. 10
Penmans	.75	Nov. 15	Oct. 15
Do., pref.	1.50	Nov. 1	Oct. 1
Proprietary Mines	.05	Nov. 8	Oct. 8
Powell Rouyn	.02	Dec. 1	Nov. 15
Privateer Mine	▪.01	Nov. 10	Oct. 25
Power Corp., pfd.	▪1.50	Jan. 15	Dec. 20
Do., 2nd pref.	▪.75	Jan. 15	Dec. 20
Quebec Power	.25	Nov. 25	Oct. 25
Regent Knit., pref.	.40	Dec. 1	Nov. 2
Reliance Grain, pf.	1.62½	Dec. 15	Nov. 30
Rolland Paper	.15	Nov. 15	Nov. 5
Do., pref.	1.50	Dec. 1	Nov. 15
Royal Bank	1.50	Dec. 1	Oct. 30
Royal Trust	.80	Nov. 1	Oct. 20
Shawinigan W. Pr.	.22	Nov. 25	Oct. 25
Sag. Power pf.	1.37½	Nov. 1	Oct. 13
San Antonio Gld.	.07+.03	Nov. 5	Oct. 20
Siscoe Gold M.	.01½	Dec. 15	Nov. 12
South Can. Pwr., c.	.20	Nov. 15	Oct. 20
Do.,	.20	Feb. 15	Jan. 20
Do., pref.	▪1.50	Jan. 15	Dec. 20
Steel of Can.	.75	Nov. 1	Oct. 7
Do., pref.	.75	Nov. 1	Oct. 7
St. Law. Flour	.35	Nov. 1	Sept. 30
Do., pref.	1.75	Nov. 1	Sept. 30
Sher. Williams	.15	Nov. 1	Oct. 10
Simpsons, pf.	1.62½	Nov. 1	Sept. 30
Sullivan Cons.	.02½	Nov. 15	Oct. 15
Toburn Gold	.01	Nov. 22	Oct. 22
Tor. Elevators	1	Nov. 12	Oct. 30
Do., pref.	.66	Dec. 7	Nov. 25
United Corp., A	.37	Nov. 15	Oct. 15
United Steel, pfd. A	.75	Nov. 1	Oct. 20
Walker-Good.	1	Dec. 15	Nov. 12
Do., pref.	.25	Dec. 15	Nov. 12
Weston, Geo., pfd.	1.25	Nov. 1	Oct. 8
Wood, Alex. & J., pf	1.75	Nov. 1	Oct. 15
Wilsil	.25	Jan. 2	Dec. 1
Zeller's	.20	Nov. 1	Oct. 15
Do., pref.	.37½	Nov. 1	Oct. 15

▪Subject to approval of Foreign Exchange Control Board. ▴On arrears.
†Payable in N. Y. funds.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.00	$10.94	$10.09
Hogs	16.75	16.75	16.41
Copper, lb.	*.12	.12	.12
Cotton, lb	.2089	.2109	.1990
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S Labor	102.9	102.8	99.7
Dow Jones (fut.)	94.10	94.42	84.14
Fishers'	111.2	111.2	108.2
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)	119.4	119.2	117.4
W'sale (Aug.)	100.4	100.1	95.5
U. S. (July)	103.2	103.8	98.7
Gt. Brit. (July)	164.0	163.1	160.3

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c.i.f. New York. Wheat – No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Saskatchewan Wheat Pool Files Defense In Court

From Our Own Correspondent

WINNIPEG—In a defense filed in Court of King's Bench in Saskatoon, the Saskatchewan Co-Operative Wheat Producers, Ltd., claims that Robert Barnes has no legal claim against the pool organization for elevator deductions and commercial reserves which he has taken action to recover.

The elevator deductions and reserves—amounting in Barnes' case to about $250—comprise levies made by the pool against proceeds of wheat it sold for Mr. Barnes and other Saskatchewan grain producers when the organization was building up its elevator system. Mr. Barnes has started action in Court of King's Bench seeking return of his deductions and interest on them.

The Co-Operative Wheat Producers, wholly owned subsidiary of the Saskatchewan Wheat Pool, admits an agreement was entered into as Barnes alleges for a return of the deductions and interest. The defendant company contends, however, that the agreement included other provisions that will be brought out in court.

The company contends, too, that a provincial statute precludes any payment of elevator deductions or commercial reserves until its indebtedness to the provincial government is discharged. The debt, amounting to $13 millions, was incurred in 1929 when the Wheat Pool got into difficulties through overpayment to farmers who sold their grain through the organization.

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Wheat Disposal Price Still a Question Mark

Not Known Whether Uniform Price to be Applied to all Stocks of Canadian Wheat Board — Forwarding Companies to Handle Wheat

From Our Own Correspondent

WINNIPEG.—Since the Winnipeg wheat futures market has been closed and the Canadian Wheat Board given a monopoly on the sale and handling of wheat, there has been much curiosity as to the basis on which the Board's stocks would be disposed. As yet no information as to price levels has been disclosed, except in the order-in-council which established the basis for the Government's wheat policy. That document prescribes that prices for Crown wheat, that is, the old wheat which on Sept. 28 became the property of the Government, are to be established by order-in-council. Such wheat is to be used for domestic purposes in Canada, and for supplies to other countries, including Great Britain, under the Mutual Aid plan.

It is not yet clear whether a uniform price basis can be applied to all this wheat. Presumably it would be most convenient to supply wheat to Canadian millers for domestic flour on the basis of 77⅜ cents per bushel, the basic price corresponding to the ceiling price on flour and would avoid necessity of subsidies. On the other hand, it probably would be most convenient to record transactions with Great Britain on the basis of actual cost of wheat to the Government.

CIB Role

But when the new wheat policy was inaugurated, it is quite possible that the Cereals Import Board of Great Britain had outstanding a portion of the wheat futures for which it had contracted with the Canadian Wheat Board some time ago at a price supposed to be in the neighborhood of 90 cents a bushel. Transactions in the Winnipeg futures market were washed out, but it is quite possible the British buying authorities would like to see their former holdings recognized as imposing some continuing obligation on the Wheat Board. On the other hand, it may be that the fact that wheat for Great Britain is now being supplied, as was not formerly the case, under the Mutual Aid Plan, will leave the Cereals Export Board indifferent as to the matter of price.

Wheat sold in eastern Canada for feeding purposes will present another problem. Instead of fixing a price basis on which the actual cost of wheat could be recovered, it may be considered better to establish a price based on the assumed value of wheat for livestock feeding.

It is understood that the Wheat Board will employ the services of forwarding companies in handling this government-owned wheat. For convenience in accounts and records the forwarders will pay for it when it is turned over to them in terminals at the lakehead. But in effect they will simply be acting as agents of the Wheat Board, will account to it for money received and expenses incurred, and be paid a commission for their services.

Another class of wheat being handled by the Canadian Wheat Board consists of deliveries made by farmers on and after Sept. 28. Such wheat is to be sold outright in export markets available, although the United States, Portugal and Ireland provide the only ones of importance at the moment. Exporters are to be allowed to buy this wheat outright for resale to their customers in other countries, and will make bids to the Canadian Wheat Board from time to time for such quantities as they can handle.

Variation in Prices

Quite possibly the Wheat Board will vary its ideas as to acceptable prices from day to day. The matter is of particular interest just now in respect to the large quantities of wheat which the U. S. Government is buying through the Commodity Credit Corp. Price negotiations might conceivably be a matter of delicacy if the Canadian Government should be selling its own wheat to the Government of the United States. In this case, however, the Wheat Board is acting as agent, not in respect to wheat owned by the Government, but in respect to wheat being handled for account of the producers, so it will be considered as entitled to ask what the market will bear. What price that will be, however, is difficult to say in absence of any price quotations for Canadian wheat. Wheat in the United States is worth very much more than the last prices quoted in Canada. On the other hand, however, Argentine wheat is worth very much less, and the United States Government is understood to be buying some wheat from Argentina.

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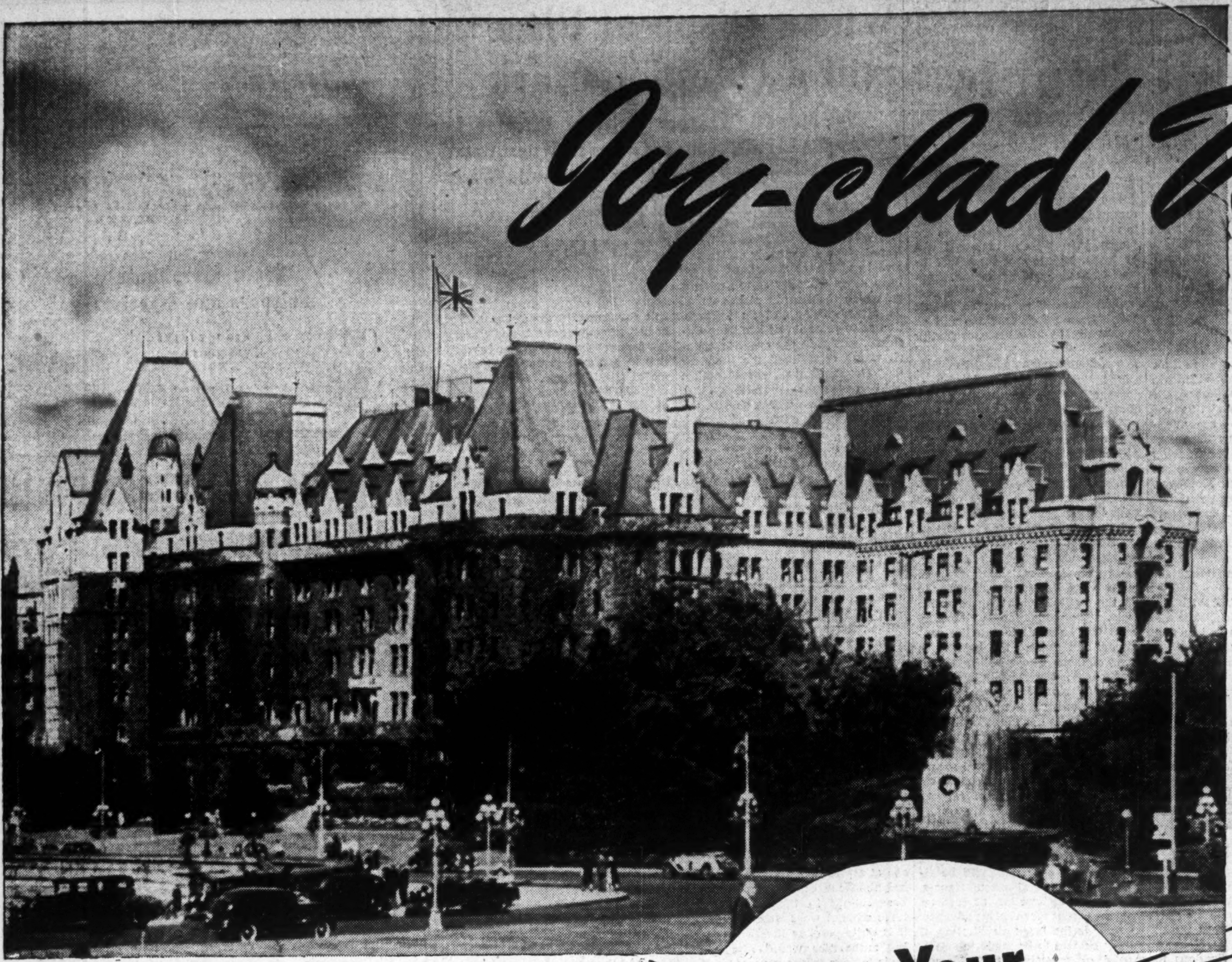
Coarse Grain Deliveries Up But Wheat is Lower

The following quantities of wheat and coarse grain were delivered from farms in western Canada from Aug. 1 to Oct. 7.

	1943 bu.	1942 bu.
Wheat (except Durum)	39,122,129	41,947,595
Durum wheat	1,337,705	475,591
Oats	29,936,755	10,570,747
Barley	24,487,006	17,341,671
Rye	688,366	1,593,050
Flaxseed	8,617,449	2,919,420



Ivy-clad Victoria...

For those who must escape winter snow and cold, beautiful Victoria with Canada's warmest winter climate offers an ideal haven. Golf, fishing, tennis, swimming in warmed sea-water at the Crystal Garden Pool . . . and your host — the ivy-clad Empress Hotel! Delightful accommodation and delicious meals! Special rates until April 30, 1944, for stays of one month or longer. 10% discount on daily room rates for stays of two weeks or longer. For attractive booklet and reservations write Hotel Manager.

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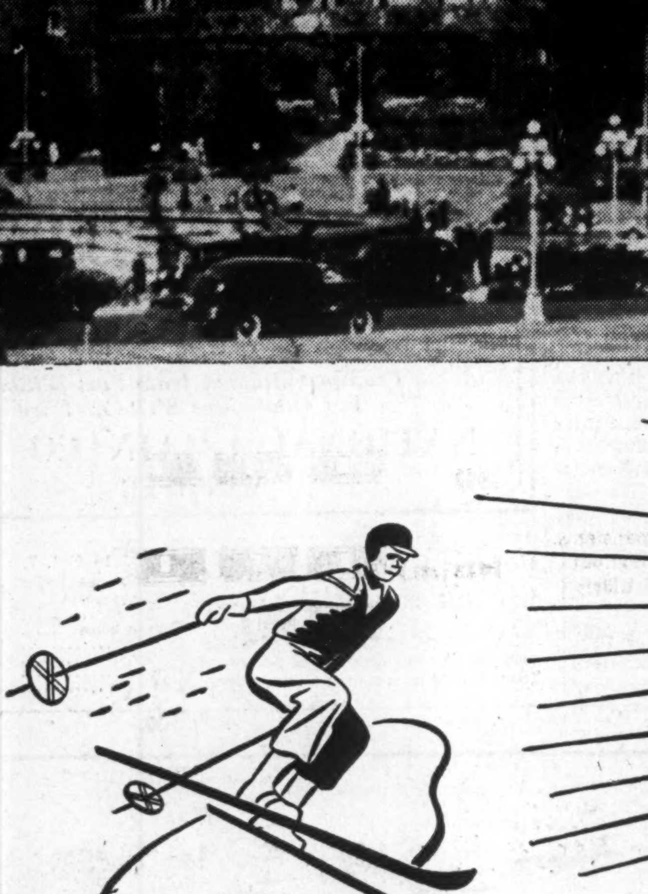

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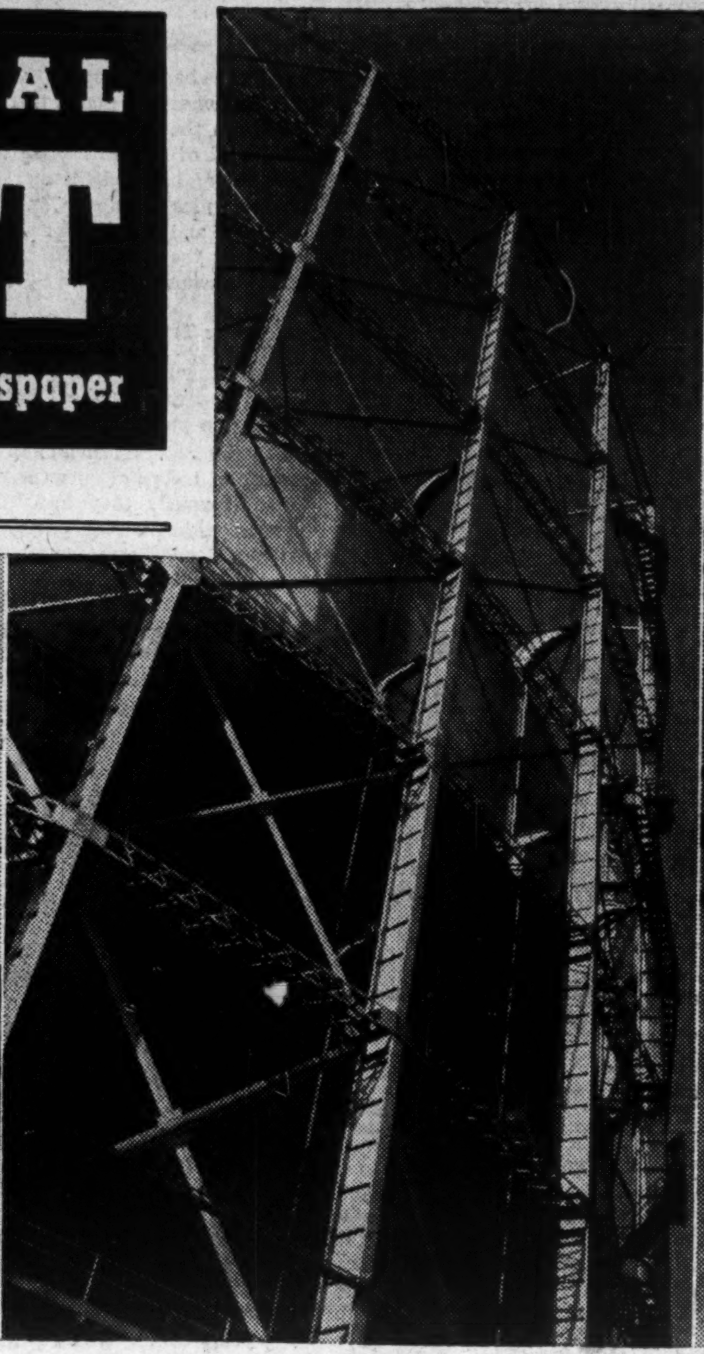
IN FRIENDLY OLD QUEBEC

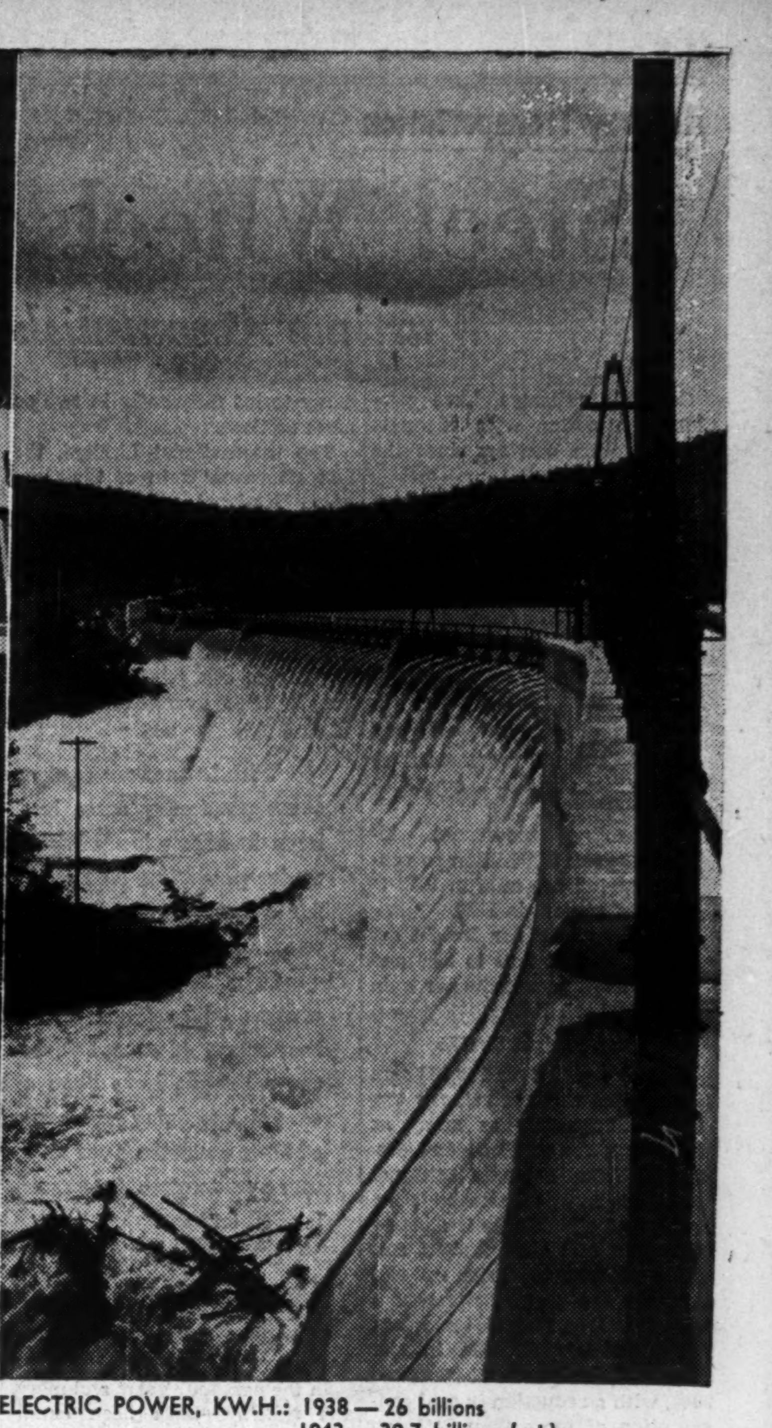
THE FINANCIAL
POST
Canada's Foremost Business Newspaper
Toronto, October 30, 1943

CARLOADINGS: 1938 — 2.4 millions
1943 — 3.7 millions (est.)



GAS SALES, CU. FT.: 1938 — 26.3 billions
1943 — 51.5 billions (est.)

URBAN TRANSIT PASSENGERS: 1938 — 681.8 millions
1943 — 1.6 billions (est.)



ELECTRIC POWER, K.W.H.: 1938 — 26 billions
1943 — 39.7 billions (est.)

Utilities Are Pulling Heavy War Load

Out of Today's Emergency Come New Techniques, New Plans for Tomorrow

Wartime strategy has called for an unprecedented mass movement of goods and people; has demanded the powering of a rocketing industrial output. And to galvanize the whole growth and integrate the national effort, a racing stream of ideas and inspiration has flowed along telegraphic, telephonic and postal channels.

There is much of drama in the *sheer* weight of the superimposed load but equally colorful are resourceful battle tactics that have enabled the utilities to handle the job despite crippling effect of manpower and material shortages.

Solid Background

Wit, sweat, resources and mature organization have been back of Canadian transportation in mastering a gigantic warload on rails, streets, roads, waterways and in the air. And in a manner equally creditable to the nation and useful in the fight, the communications and power industries have breached similar barriers.

To emerge from it all, as an accompaniment to promising technical developments of war-goaded industry, undoubtedly must come a new wisdom and agility in the civilian services as a result of their expedients and improvisations. The utilities have some surprising ideas of their own for the shaping of tomorrow's techniques.

Railways' Burden

On rails of the nation the war overload and supply shortages could have provided serious disruption. Here is the picture:

Freight tonnage on Canadian railroads rose about 80% from 1939 to 1942 and passenger movement almost 300%.

This has been handled with little more equipment than before the war—in particular cases, with less. An astonishing degree of car utilization had to be reached as average load per freight car rose from 27.1 tons to 30.6 and average passengers per train from 48.3 to 115.9.

And over and above actual operation of the railways has been their impressive volume of direct war production; the two major Canadian railways, from their own shops and from munitions plants operated by them, have been producing tanks, naval guns, cargo ships, mine sweepers, marine engines and guns of heavy calibres as well as secret devices.

Equipment, Labor Lack

Assailed by traffic on this scale in peacetime the railways would have built locomotives and cars in large programs; instead, war diversion has made it impossible to obtain labor or materials on any important scale for new rolling stock, roadbed improvement and incidental equipment.

Something of the size and complexity of the railways's labor replacement program is indicated by the fact that they have lost about 30,000 men to the armed forces but today have 83,911 employees as against 71,817 two years ago. It has been a gigantic job of man-training but women in men's jobs already number more than 1,400 on both systems as a nucleus of expected increase in feminine forces.

Canada's Airlines

Handicapped by shortage of equipment, Canadian airlines also have shared substantially in the benefits and bugbears of the wartime transport load gain.

Last year Canadian Pacific Air Lines carried 9.6 million pounds of freight and operated 28,000 miles of routes.

Trans-Canada Air Lines' mail load in seven months of this year was nearly a million pounds greater than in a like period in 1942; an increase of over 21,000 passengers to over 78,000.

This year, for the Canadian government, TCA began operating a transatlantic service, a postwar feature for civil aviation. Wartime gains through airfield construction, navigation aids and progress in trained personnel, clearly mean that Canada's air transport system is going to grow.

Urban Transit

The railways are not alone in flexibility and resource nor in abnormal operating conditions.

Like the railways, the trams and buses have mastered the transition to war footing, are ably battling labor and material shortages, while giving the nation continuous service on a swollen scale.

On street cars and city buses across Canada the passenger load has a good deal more than doubled since onset of war—one estimate puts the overall increase at 131% over 1938, giving a figure for that year of 682 millions of revenue passengers, and casting 1943's total at over 1.5 billion.

Sarnia, Edmonton, Halifax

Sarnia, risen to new industrial greatness on the strength of synthetic rubber, reports a transit passenger gain of 148% Jan.-June this year over the opening half of 1942. Ottawa's gain for the periods was 38%, Toronto's 21% and Montreal's 17%.

Canada's question-mark city, Edmonton, as portal of the new Northwest, reports a nine-month total of well over 22 million revenue passengers, as against under 15 million for that period of 1942, and about a million less for the whole year 1938.

It will surprise no one, of course, that the ocean metropolis of Halifax has shared heavily in Canada's urban traffic load gain; it may not be so well known that the increase there in wartime has been 300%, the country's largest. The load there is still gaining; last year a record of 24 million revenue passengers was set up but this year the figure is expected to be nearer 27 million.

Widespread adoption of staggered hours for plant shifts, store openings, etc., has played a big part in flattening out morning and evening peaks; skip stops, short turns, re-arrangement of seating and other expedients have made it possible to stretch equipment to meet essential needs.

What's in the offing besides general service improvements arising from wartime experience?

Transportation men are agreed new light-metal trains, trams, buses and private automobiles are "just around the corner."

Transit systems at Montreal and Toronto are planning subways and in some cities a trend to trolley buses is seen.

One thing appears to be certain and that is new vehicles in thousands, whether light or heavy, are going to be required by Canadian railways, urban transit systems and bus lines after the war.

Several of the inter-city bus companies are staking out claims in the visionary helicopter "bus" field.

With an eye nearer the present, both bus and inter-city truck carriers are asking Ottawa for permission to place vehicle orders this year.

With the other eye on their postwar future, they are busily organizing a national council of highway users to include themselves and interested industries such as oil, rubber, automotive manufacturers, etc.

Telephones, Telegraphs

In the communications services, short supply, reduced personnel and a crushing service load, have taxed the resources of management. But telephones, telegraphs and the Post Office have come through with new distinction.

Telegraph companies are handling an unprecedented volume of business with a staff and line mileage not much greater than in the last war. They are employing hundreds of women in men's jobs as their chief labor solution; have found typists apt learners of teletype work. Training schools in the systems are greatly expanded. (Of a total telegraph wire mileage in Canada of about 400,000, some 350,000 miles is operated by the railway telegraph companies.)

With Morse apparatus used for less than 20% of all transmissions, teletype is the principal modern equipment. But it is in some danger of being edged out by facsimile and photo transmission. Long employed in picture sending, the device now is being used experimentally in Canada to transmit the printed word, while such sending already has gained use in some U. S. cities.

As on the telephone systems, development of the carrier system of multiple messages and multiple circuits by means of frequency variation, promises to make possible transmission of 250 telegraphic messages over a single pair of wires.

Great Phone Demand

Phone companies have ably handled an increasing volume of new installation demands for the armed forces, industry and government; have had largely to discontinue new installations for private use and carefully screen requirements for critical materials. The Bell system alone in seven months of this year has had to refuse about 31,000 applications.

Substantial copper savings have been possible by fuller use of existing inter-city wire with the aid of the carrier system.

In the Ottawa-Hull area there are today 40% more telephones than in 1938 and long distance channels out of Ottawa have nearly doubled since Sept., 1939, with necessary expansion of personnel. A new underground cable, Ottawa - Montreal, has brought about increase of circuits on that route from 19 to 52.

Carrier System Progresses

Technical development chiefly centres on the carrier system. A long distance dial hook-up has been introduced which allows an operator in Toronto, for instance, to dial a Montreal number direct. An almost limitless multiplication of inter-city telephone circuits is seen possible with methods of compressing the band of frequencies needed for transmission of a single voice. Extension of carrier telephony by use of co-axial cable —which permits transmission on frequency bands of a million cycles may be of added importance in the future.

Co-axial cable can also accommodate the wide range of frequencies required for television transmisison.

A cable has already been installed between Montreal and Ottawa designed for later installation of twenty 12-channel carrier systems in addition to the regular wire circuits. Extension of the cable to Toronto is planned if priority can be obtained on materials and equipment.

His Majesty's Mails

So commonly relied upon and so reliable that its existence and troubles often are forgotten, the postal service has had its full share of load and shortage problems.

Postal revenue increased 29% from $42.9 millions to $55.5 millions between the fiscal years 1938-9 and 1941-2 and volume still is climbing. Shifting of population masses to and in the armed forces, war industries and cities has imposed biggest labor burdens.

Air mail has increased 300% and the war has produced a regular overseas air mail service. Natural development has been means of conserving transocean mail space—the answer was photo facsimile "airgraphs." As many as 408,000 airgraph letters can be sent in the space required for 2,400 ordinary letters.

Electricity

In 1943 the Dominion will use 35 billion kilowatt hours of primary energy to keep aluminum pouring, to put aircraft into action and weapons in the hands of Canadians abroad. It is not only the largest amount of energy ever used in a year in Canada but almost double that recorded for 1939.

Industrial expansion after the fall of France placed a sudden and gigantic burden on power producers. Hydro-electric expansion has been continuous throughout the country and more particularly in the central provinces.

Even now the industry is considering how to re-allocate electrical energy from purely war requirements and sees the electrochemical and electro-metallurgical fields, electrification of rural areas, extension of domestic household uses and, of course, the great demand from pulp and paper, etc., as its best chance of absorbing output of new capacity.

Producers of natural and manufactured gas feel that a substantial backlog of demand is building up for their industry. Stoves, water heaters and other gas appliances will again be available and buyers with war loan reserves and sharpened installment buying appetites will not be lacking.

Important new uses and equipment for gas have been worked out in war industry and these undoubtedly offer chances for adaption to peacetime requirements.

Provision for both war and civilian purposes has taxed the resources of the gas industry. In some areas, notably southwestern Ontario, natural gas supplies have been insufficient and a real attempt has been made to boost output of the manufactured product, a significant increase having been recorded in 1942.

Ready to Rebuild

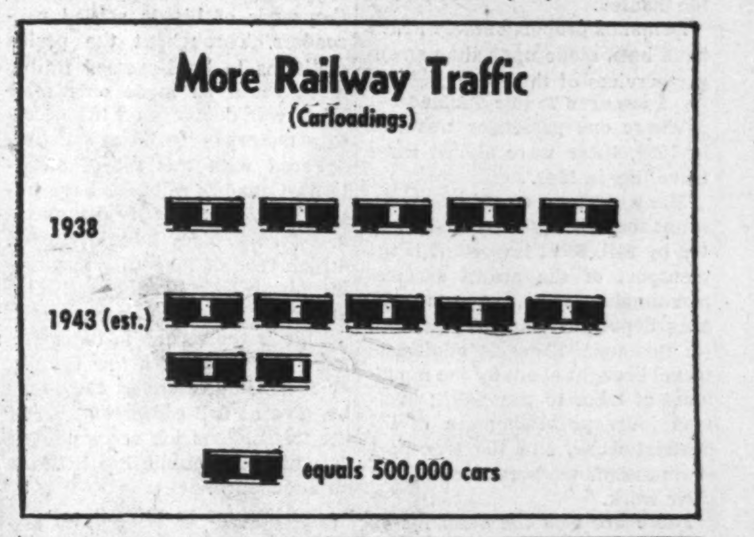
A job for giants — and giants found for the job.

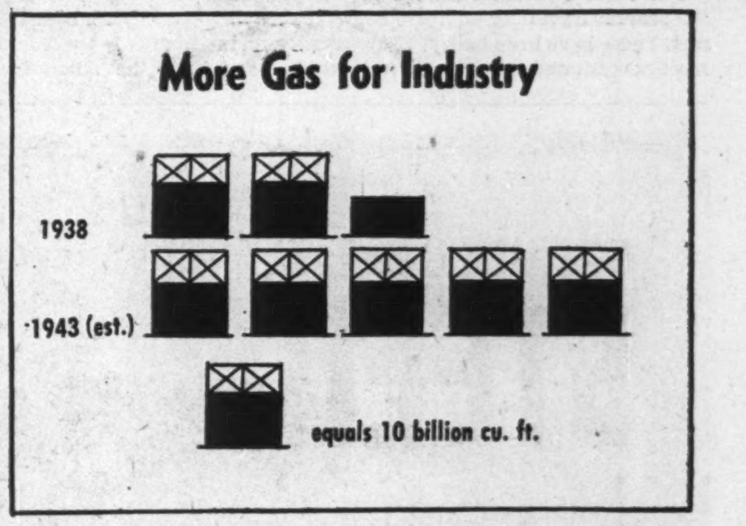
That, in a sentence, is the story of the utilities systems at war; it will be the story again when peace lights up a war-torn world.

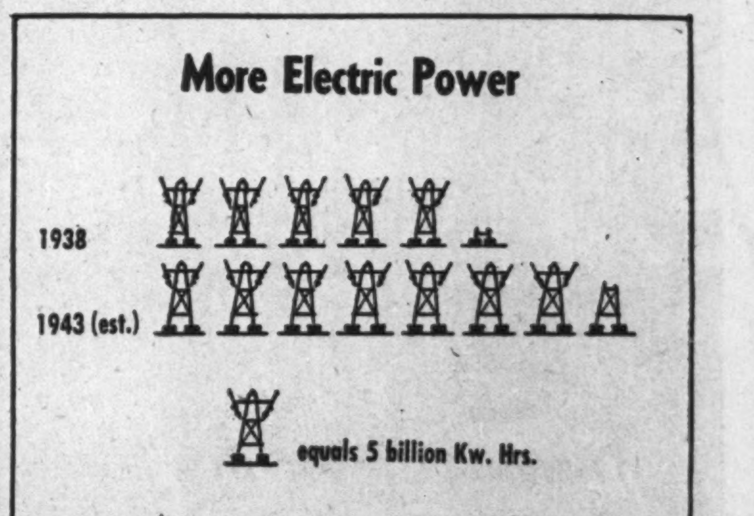
Emergency-sped technical development has strengthened the nation's vital services, and shortages-plus-overloading has sharpened their resourcefulness; transportation and communications and power may emerge from the maelstrom not only bigger, as most industry in Canada is bigger, but better fitted to serve a nation newly ranked for industrial greatness in years to come.

INTERURBAN BUS PASSENGERS: 1938 — 33.5 millions
1943 — 52.6 millions (est.)

TELEPHONE CONVERSATIONS: 1938 — 2.6 billions
1943 — 2.8 billions (est.)







Production for Victory

— One of a Monthly Series —

Report for October — Transport, Power, Gas and Communications

Railway Transportation

Steel Wheels are Speeding Victory

Wartime Accomplishments Story of Growing, Varied Task

With little more equipment than before the war — in some particular cases less — Canadian railroads have been handling loads which probably seemed impossible under peacetime railroading practices. Freight tonnage, for example, rose about 80% from 1939 to 1942; passenger movement was up almost 300%.

Primarily this has been the result of wartime acceleration of business and activity everywhere; of direct movement of armed forces and their equipment. That the railroads have been able to carry the load without congestion, delay and losses is a reflection of the elasticity of their operations; of ability to load more tons of freight, more passengers, into each car; to run longer and heavier loaded trains.

Canada's railways have provided the nation with adequate transportation services since the outbreak of war.

Tremendous burdens have been imposed. Abnormal operating conditions have had to be met. Traffic volume has exceeded anything ever imagined in Sept., 1939. Personnel shortage has added to the complexity of problems.

Briefly the war record of the railway industry follows:

Number of tons of freight handled one mile increased from 31¼ billions in 1939 to over 55¾ billions in 1942.

Passenger movement increased from 1¾ billion passengers moved one mile in 1939 to almost 5 billions in 1942.

Average load per freight car rose from 27.1 tons to 30.6 and the average passengers per train from 48.3 to 115.9.

Huge Freight Traffic

Each day well over 150,000 cars are handled through railway terminals. Frequently as many as 10,000 cars are received and despatched from a single terminal yard. At frontier terminals an average of one minute is allowed to inspect and clear freight cars and one hour to make up and despatch new trains.

The average freight train load has practically doubled in size since 1914. Its speed has increased 60%, with a reduction in coal consumption of more than 31% per ton hauled.

Demands proportionately heavy have been made upon the passenger services of the railways.

Passenger Traffic Trebled

Where one passenger travelled in 1939, there were almost three travelling in 1942.

Many factors combine to account for this big increase in travel by rail. Most important is the transport of the armed services personnel overseas, between manning depots, training camps, and on furlough. There is additional travel brought about by the movement of labor to war work; business journeys arising out of industrial work, and the transport of munitions workers to and from their work.

There are also the demands of the general travelling public to be met. These have been heavy. They have necessitated the operation of many trains frequently in two or more sections.

The International Limited, the fast afternoon train of the Canadian National operating daily from Montreal to Toronto and Chicago, has operated in as many as six sections.

A Two-way Job

Mobilization of the fighting men and the war resources of the country is one job. What most people have overlooked is that that effort has been super-imposed on a civilian economy.

The railways, therefore, have had a twofold job.

In the past four years and more, the railways have been handicapped by the enlistment of many thousands of highly skilled railroaders. Throughout the period additions to hard-pressed rolling stock could be made only after other war demands on the necessary materials had been satisfied.

Faced with this set of conditions, Canada's railways have improvised and planned with excellent results. They have displayed a high type of ingenuity in meeting obstacles seldom equalled in any other branch of the war effort.

This is the record to date. The mere statement of a few figures, or facts, impressive as they may be, give no full comprehension of the tremendous job accomplished of which the public has little or no knowledge.

Different in Peacetime

Had traffic on this scale been available in time of peace, it would have been the automatic reaction of railway managements to increase their facilities for handling it.

The railways would have built locomotives, passenger and freight cars on a tremendous scale. There would have been the most active attempts to improve trackage, to lay heavier rails; to install or extend sidings and passing tracks; to expand the use of automatic signals, and to use new facilities of every sort, on the line and in terminals, for the expediting of traffic.

What happened? The national necessities during war have made it impossible to obtain either labor or materials, on any important scale, for such purposes.

Use Less Equipment

Equipment now employed by the Canadian railways to move an all-time record of volume and freight and passenger traffic is no more, and in some categories less, than in 1939.

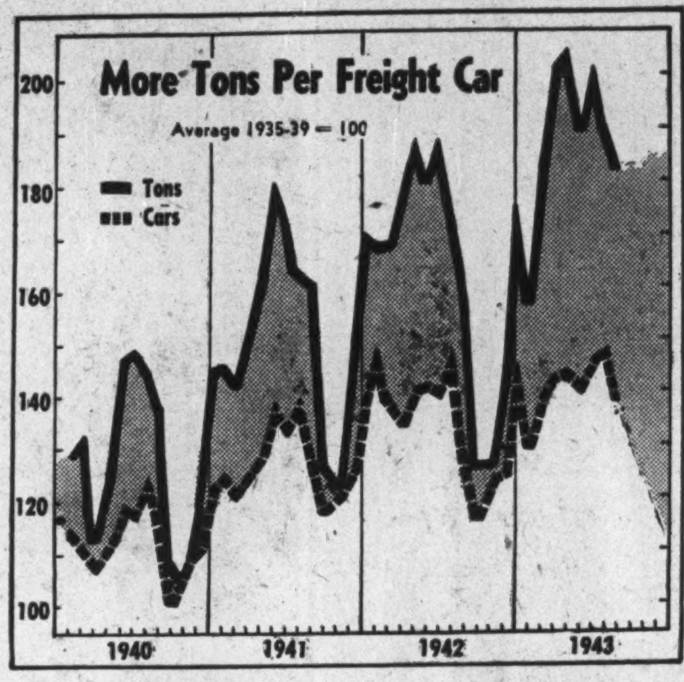
Here is equipment inventory position of the two transcontinental railways at the end of last year, compared with returns for 1939:

Railway Equipment

Canadian Pacific	1942	1939
Locomotives	1,701	1,767
Passenger equip.	2,802	2,903
Freight equip.	73,551	73,903
Work equip.	6,085	5,908

Canadian National	1942	1939
Locomotives	2,555	2,562
Freight equip.	90,353	88,903
Passenger equip.	3,343	3,158
Work equip.	7,127	6,205
Car ferries, etc.	25	28

Scores of old locomotives, which ordinarily would have been considered as beyond further usefulness and replaced by new locomotives, were reconditioned for service. A number of these were turned over to the United States Government for war purposes.



Railroads have been packing more tons of freight into each car, a major help in moving growing tonnages.

Car Shops Active

As war industry increased in output developing traffic in greater volume, many additional freight trains became necessary. More than 200 cabooses were built in Canadian National shops to serve these trains.

These same car shops rebuilt 5,000 box cars. Hundreds of work equipment cars were rebuilt. More than 1,000 hopper and general service cars essential in steel, coal and other heavy traffic, were built. Hundreds of passenger cars were rebuilt and reconditioned; seating capacity was increased. Old Pullman units were bought in the States, rebuilt into passenger coaches, colonist cars and new type cafe cars.

Devise Special Equipment

Among the special equipment built by the Canadian Pacific were two hospital cars built to the specifications of the Royal Canadian Army Medical Corps for carrying casualties.

The 360 overhead refrigerator cars which the C.P.R. has among the 3,906 units of refrigerator equipment in its rolling stock were other cars which found a special mission. They were used to rush bacon to Britain.

Special types of depressed-centre flat cars had to be built to handle equipment for synthetic rubber plants; towering corvette boilers; war plant transformers and invasion barges.

Save on Materials

Through all this, the railways kept before them as a constant maxim the conservation of strategic materials.

The introduction for the first time by the C.P.R. of plywood to replace steel sheathing on box cars and the substitution of single wood sheathing for steel resulted in a saving of 850 tons of steel on 750 new freight cars.

Rubber was reclaimed by the railways through a new method of splicing the good sections of burst and worn hose used for brake and signal connections, formerly thrown away.

A saving of 61.5% in tin consumption was noted in 1942 by the C.P.R.

Speed Up Movement

To speed up the movement of freight in industrial yards the railways co-operate with industry and government agencies in the laying out of trackage to serve the numerous war production plants that have been established.

The railways were faced with the problem of keeping these industrial yards clear of war materials awaiting overseas shipment and of releasing freight cars for immediate service. The solution was found in the establishment of storage yards where all such materials can be held, awaiting the arrival of convoys and trans-shipment.

These storage yards have proved invaluable in speeding the flow of supplies overseas. Vast quantities of war materials, in some cases worth $15 millions and more, are kept under constant guard until shipping instructions are received.

War materials can only be transported overseas as convoys sail; until that time they must be stored where they will not interfere with the swift and orderly flow of traffic.

Demands of industry require a two-way service daily. The railways must supply raw and basic materials as they remove the finished products. Each day and night the railways bring to industry those basic supplies which keep the wheels of plants turning. These are the products of mines, forest and of agriculture, as well as those of heavy industry such as steel, nickel, copper and the thousand and one materials required by the great, modern machines of war.

Serve Travelling Public

Equal ingenuity has been displayed in handling the threefold increase in passenger traffic.

Passenger cars remodelled for the use of troops often were used so continuously they had to be cleaned while moving empty for the next load. Berths weren't always available and parlor cars were withdrawn to give way to ordinary passenger coaches. These were only some of the methods used to accomplish the main job of getting passengers from place to place.

The remarkable wartime job accomplished by the railways to date has been done with little inconvenience to the travelling public or the shipper.

Naturally there has been a tightening of certain regulations, such as week end fares for passengers, while shippers must fill cars to the limit and without delay. But, on the whole, the restricted use of rail services has hardly been noticed by the public.

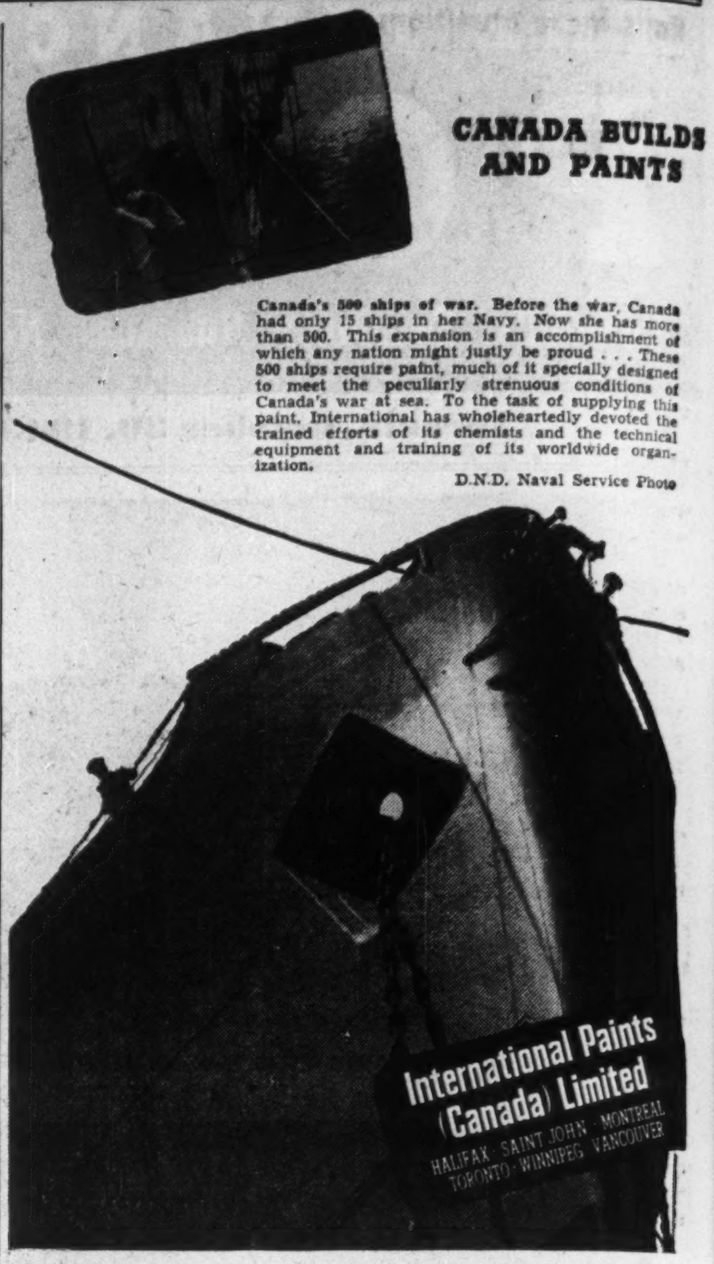
The railways have done a remarkable job. As D. C. Coleman, Chairman and President of the Canadian Pacific Railway, has so aptly put it: "This could not have been accomplished simply as a result of the present day efficiency of railway management. The achievement has its roots in the long years during which pride of service has been built up . . . . As far as this transportation battle has been a soldier's fight, I am in a position to tell you it has been fought with the highest efficiency and devotion to duty—so much so that I am convinced that no body of workers can have served the nation more loyally and effectively."

CANADA'S WAR COSTS

In the fiscal year ended March 31, 1944, it is estimated the war will cost Canadians more than $13 millions each day.

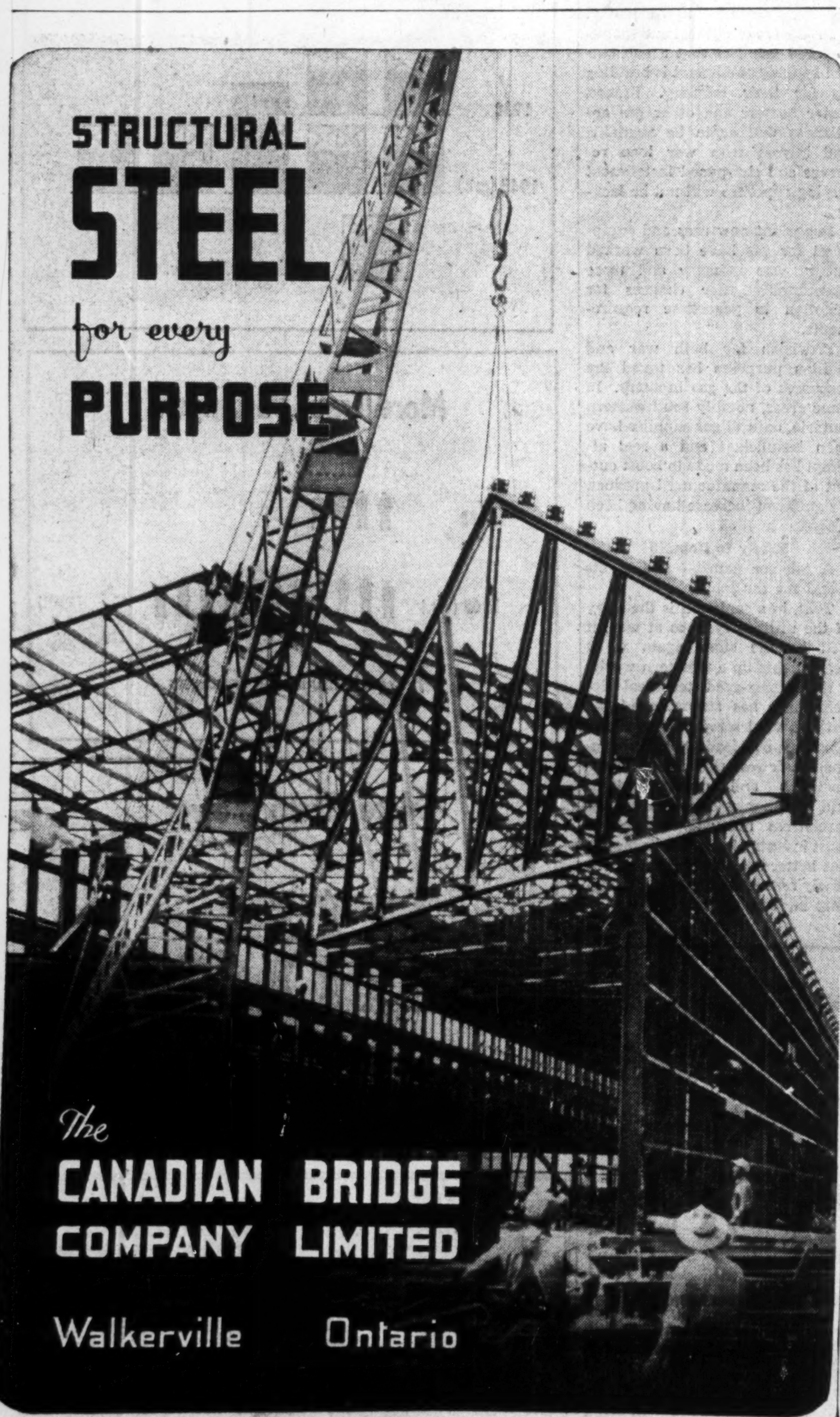
Estimated Canadian war expenditure for 1943 is $4.9 billions. In 1942 Canada spent $3.8 billions, whereas in World War I the total cost, including demobilization, was $1.7 billion from 1914 to 1920.

In the first 55 months of the present war, to March, 1944, it is estimated that Canada will have spent more than $12 billions on the war.



PLASTIC "WINDOWS"

Deep-sea divers working on the hull of the Normandie in New York Harbor are wearing a new type of helmet fitted with a strong, light plastic window made of Lucite, crystal-clear plastic which is also used for the noses and gun turrets of fighter and bomber planes. These helmets have been in use in various parts of the world, says the C-I-L Oval, at depths of over 300 ft. and before long an entire helmet of this material will be available, thus increasing the diver's range of vision and making it possible for him to move about at greater depths and with greater ease.



Cost of ELECTRICITY in the MONTREAL HOME for the year 1942

CUSTOMERS		REVENUE	
		Average per customer	
Group	Number	Per month	Per day
"A"	7,412	$0.60	2¢
"B"	172,546	1.29	4.2¢
"C"	52,484	2.64	8.6¢
"D"	5,279	5.72	18.8¢
All groups	237,721	$1.67	5.4¢

Rails Make Munitions

Ships, Tanks, Guns, Engines

They All Pour From Railway-operated Plants

Not content with the important job of transporting the tools of war to waiting ships for dispatch to the war zones, Canada's railways are making those tools themselves.

They are making ships, naval vessels, naval guns, gun mountings, gun carriages, tanks, marine engines and numerous other items which are on the "secret" list.

In Feb., 1940, the Canadian Pacific undertook a study of tank production and, in June of that year, entered actively on the production of Valentine tanks.

More than 1,400 were built between then and May, 1943—the greater part of which constituted part of the great aid sent by the United Nations to Russia.

This contract has been completed, but the company is still working on the task of completing the necessary spare parts.

Develop Cast Turrets

Particularly noteworthy in connection with the tank program is that Canadian Pacific engineers devised a plan of using one-piece cast turrets and cast noses for tanks in place of the previously built-up parts. This added to the fighting effectiveness of tanks, as well as simplifying their construction. This invention has been widely applied in tank construction in Canada and elsewhere.

In addition, CPR shops are executing large orders for naval guns and gun mounts, and for a variety of naval devices.

The great Ogden shops in Calgary have been long employed in turning out guns for the Royal Canadian Navy to be used in the battle against the U-boats.

Now On Marine Engines

Before the tank contract was completed, the Canadian Pacific began tuning up for the production of huge main marine engines and condensers to meet the needs of the RCN's escort service.

The first of these engines has come off the line in that section of the Angus shops in Montreal which had been used in the production of tanks.

These engines weigh 70 tons. The first 10-ton engine bed plate was laid on May 30 and the complete engine delivered on Aug. 21. The first condenser, weighing 8½ tons, was delivered on July 30, only a little more than two months after the completion of the last tank hull on May 15.

Production lines have so developed by now that an output rate of six main engines a month will be reached by the end of November; six have been delivered already.

The main condensers also will be delivered at a minimum of six a month by the end of November; ten have been delivered to date.

Other contracts have been received for twin screw equipment, as well as single screw, and the number of units involved will keep this section of the Angus shop's munitions department employed for some time.

In addition to their prime war job of providing transportation for war goods and men, Canadian railways are turning out the munitions themselves. Their record already shows contracts completed for Valentine tanks and 12-pdr. naval guns. New contracts for 10,000 tons cargo ships, mine sweepers, marine engines and guns of heavier calibres, as well as other secret devices, are now coming from munitions plants and shipyards owned and operated by the two major Canadian railways.

The Canadian National Railways record of armament production is equally impressive.

This company is the only railway on the North American continent which operates a shipbuilding yard. It builds 10,000-ton cargo vessels, as well as mine sweepers on Canada's west coast.

Then there is the company's wartime subsidiary, National Railways Munitions Ltd., Montreal.

Three contracts have been undertaken by this company.

The first was for the manufacture of 12-pounder Mark V naval guns, building the gun complete with breech mechanism. This contract has been fully completed.

Production of naval guns of larger calibre, the Mark XIX, called for in the second contract is now half completed.

The other contract is for the manufacture of field artillery gun carriages and an average monthly production of approximately 20 units is being maintained.

National Railways Munitions also is performing a considerable amount of subcontract work for other Canadian companies.

To provide the necessary plant for NRM, the Canadian National built a special plant in Montreal 505 ft. long and 513 ft. wide. The available space is about equally divided between navy and army work.

From the turning of the first sod, the building and tooling of this huge munitions plant until the first naval gun was produced took just over a year.

Work Is Complicated

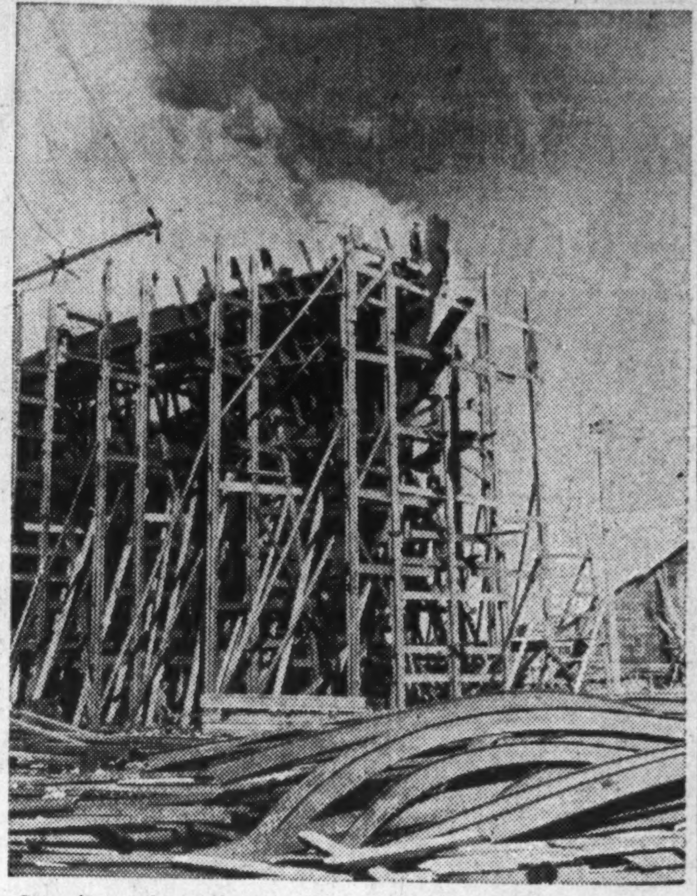
The work is extremely complicated and calling for a high degree of skill. For example, to produce one Mark XIX gun, which includes the barrel and the breech mechanism of 69 parts, 392 operations are necessary requiring 191 jigs and fixtures. This usually requires two weeks' time as between each operation a certain period is allowed to elapse to rest the metal in order to protect the hardness of the steel. If each operation could immediately follow, the production time for one of these big guns would be approximately two days.

The other side of the shop is used to manufacture field gun carriages of a special design.

To make the 1,509 main components that go into each gun carriage there are 3,506 operations requiring 2,102 jigs and fixtures. The total number of parts for a completed carriage of this type is 4,865.

The plant, both navy and army sides, is at present approaching the peak of the staff required to produce the stores being manufactured. There are now more than 1,300 men and women on the payroll. Beginning with 85 machinists and tool makers borrowed from the Canadian National, the majority of the personnel have been trained by these men to become bench hands or efficient operators of the 375 machines of the latest type employed in the works.

Canadian National Railways is also manufacturing war munitions at three other shops, but under regulations, neither the location nor details of the materials manufactured can be published.

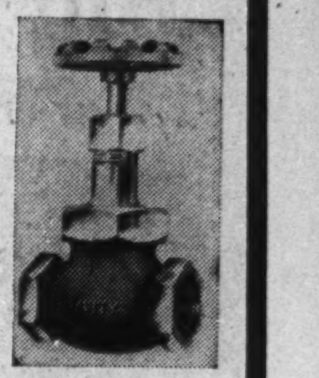


Canadian railways do more than just transport the tools of war. They make them, too. Pictured here is a freighter under construction at the Canadian National Railways shipyard where are built 10,000-ton cargo vessels and mine sweepers.

Valves—and Victory

THIS business of war requires more than Men and Munitions—vastly more. For instance—our fighting forces use great quantities of Gasoline, Oil, Steam and Water. Valves must be produced to control the flow of them. That is the job we are doing. Valves for Ships, Tanks and Planes. Fire Hydrants for Airfields and Barrack grounds. Plumbing Brass for living quarters.

When peace returns, a product improved by wartime research will be available to our customers.



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Rebuilt World Depends On Wise Economic Plan

Avoiding Domestic Deflation in Weakened Countries Seen as Desired End of Policy Makers

Nothing definite is generally known in London business circles about the financial discussions in Washington between British, American and other experts. Consequently, there is little public interest so far. But experts' ears have pricked up at the reported American proposal of an international bank with the positive function of financing reconstruction by making public loans where private investors would not come forward except on burdensome terms, writes Donald Tyerman, deputy editor of The Economist, London.

This seems to fit in well with the widespread desire to discover ways and means of rebuilding world economy on a regular and expanding basis. The recent currency plans stemmed from the fact that international economic equilibrium depends upon debtor or deficit countries being able to meet their obligations without strangling their domestic economies. More simply, it depends upon debtor or deficit countries being able to sell or borrow and so avoid domestic deflation. Correspondingly, creditor countries must buy or invest.

The world bank plan, if it can be worked out and meets with general approval, will presumably provide for large-scale investment, financed by countries with surplus funds, which will prevent the disruption of balances of payments as well as enable devastated or backward countries to get on their feet.

Project Of Buffer Stocks

The Keynes plan for a world clearing union and the White plan for a world stabilization fund are different devices to provide credits for debtor countries to tide them over while they make the adjustments in their economic set-up required by the state of their foreign balances; and the Keynes plan probably implies a greater consequential change, during this period of adjustment, in the national economic policies of the creditors as well as the debtors. The new proposal for an international reconstruction bank has been described, in one quarter as the White plan for a world fund transferred into new territory.

But, whatever the details of technique and the possible disputes arising, the world bank plan is regarded in Britain as an extremely important approach to the second point in the Keynes agenda for reconstruction and stabilization, which was set out in the preamble to the clearing union scheme. The first point was exchange equilibrium; the second was the resumption of world investment for reconstruction and development; and the third was the prevention of disastrous fluctuations in commodity prices. The third point too, it seems, is being discussed at Washington. It is believed that Britain's delegation will restate the project of buffer stocks to prevent these fluctuations in primary prices.

Full Employment Policy

There is a hearty welcome in Britain for all these proposals to restore normal and stable world economic relations by international agreement after the war, so that each country will be able to pursue a policy of full employment in harmony and full trading connection with every other country. The main doubt is whether, in the dislocated world immediately after the war, the underlying trend toward disequilibrium may not be too strong for any mechanical devices to reverse it.

Reconstruction will, inevitably, be largely a one-way process, from surplus to deficit or devastated countries. This means that international debt, too, both in the long and short terms, will be one-way.

Primarily, there will be, both immediately and afterward, a shortage of dollars to meet obligations due to the United States. Everything will depend upon the ability of debtor and devastated countries to obtain dollars by the sale of goods or by borrowing, and if they are obtained by borrowing, then the later need will still be to obtain dollars in trade. Thus, the crucial factor in reconstruction and stabilization must ultimately be the ability and willingness of the United States to buy foreign goods as part of a tremendous domestic program of full employment.

If the rich and populous United States pursues a full employment policy of this order, then it can be the greatest powerhouse in history for the peace and prosperity of the entire world. If, however, such a policy proves impossible, politically or economically, the tendency will inevitably be for other countries to limit their dollar requirements by regional grouping for mutual trade and exchange purposes. These are the provisional views which are being debated in London financial circles just now.

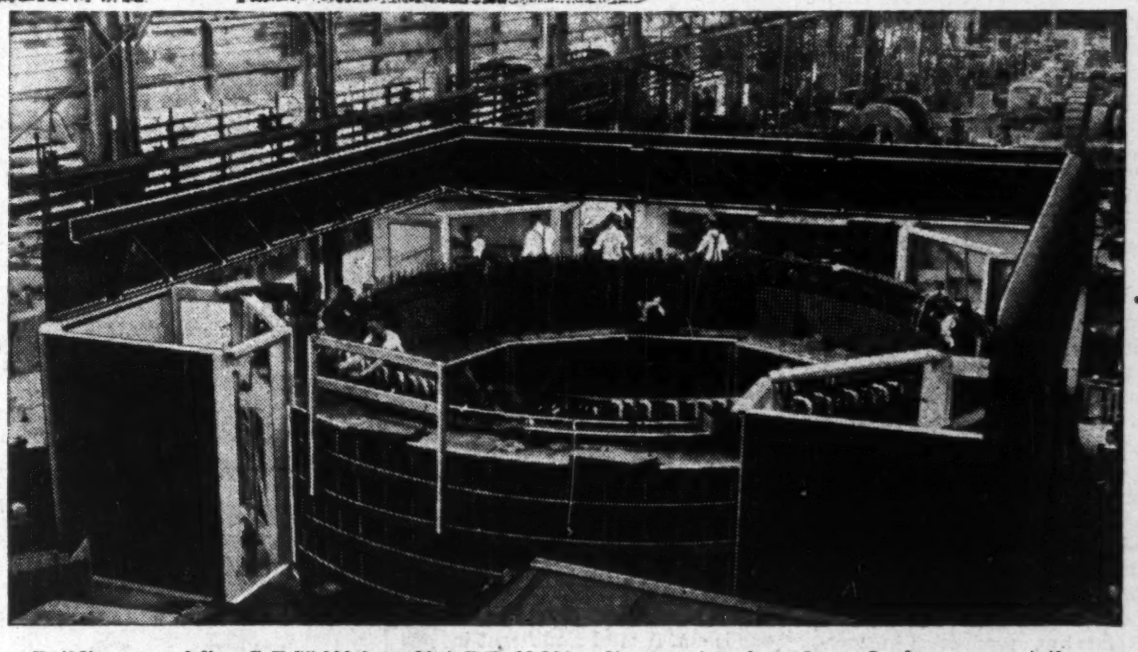
RCAF ONE THIRD OF RAF

RCAF aircrew serving with RAF squadrons comprise up to one third of the RAF's flying strength. For every one Canadian serving with wholly Canadian squadrons overseas there are now 11 RCAF aircrew in RAF overseas units. The proportion of RCAF to RAF is likely to increase in coming months.

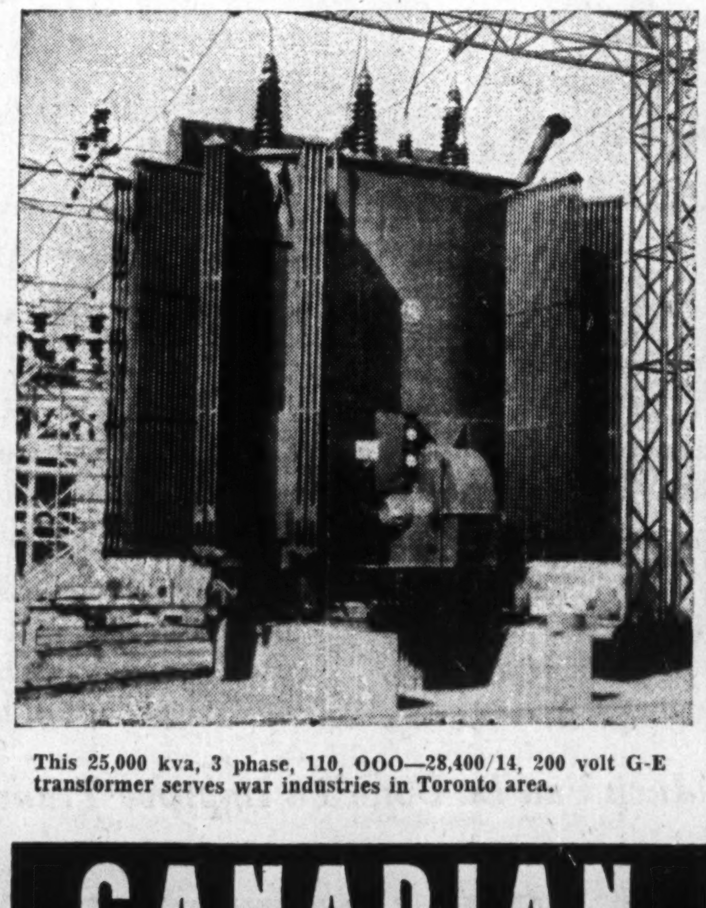
VICTORY POWER

CANADIAN GENERAL ELECTRIC EQUIPMENT
Helps Develop More Power for Canada's War Industries

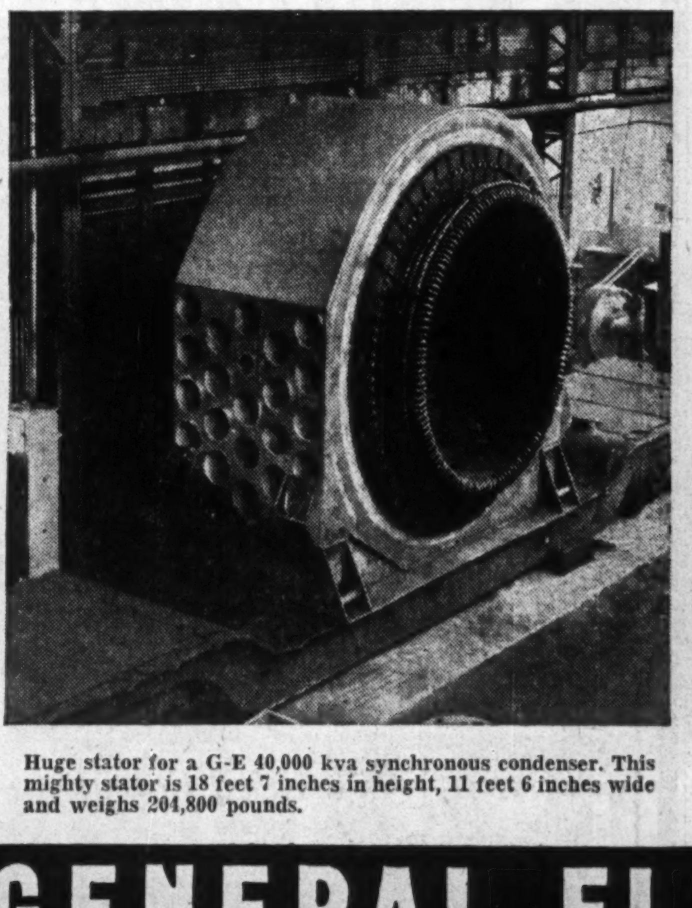
Vital to Victory—essential to Canada's economic development—is an abundance of electric power. Every industry whether turning out war material or manufacturing essential civilian goods, depends upon it. Even agriculture is relying on it to an ever-increasing extent. A dominant factor in war production today, electricity is destined to play a great part in the Dominion. Canadian General Electric, Canada's largest electrical manufacturer for over 50 years, has shouldered a big share of the task of equipping Canada for power production and distribution. The Company has built giant turbines and generators, constructed mammoth transformers, manufactured practically every type of equipment for the control and utilization of electricity.



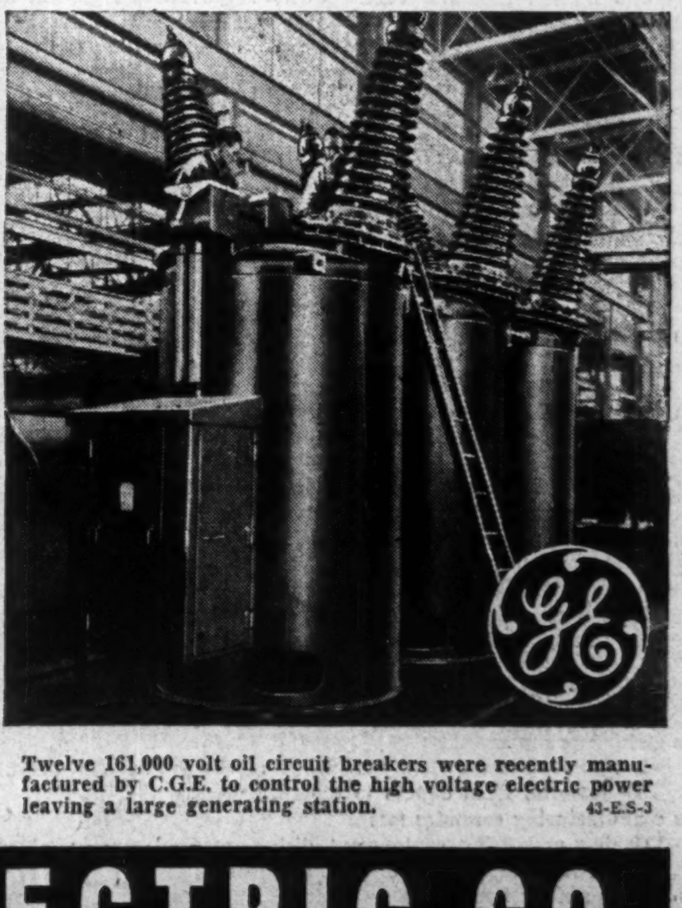
Building one of five G-E 75,000 kva, 80% P.F. 13,200 volt generators for a large Quebec power station. The housing shown, partly assembled, is 13½ feet high and 36 feet square.



This 25,000 kva, 3 phase, 110, OOO—28,400/14, 200 volt G-E transformer serves war industries in Toronto area.



Huge stator for a G-E 40,000 kva synchronous condenser. This mighty stator is 18 feet 7 inches in height, 11 feet 6 inches wide and weighs 204,800 pounds.



Twelve 161,000 volt oil circuit breakers were recently manufactured by C.G.E. to control the high voltage electric power leaving a large generating station. 43-E.S-3

CANADIAN GENERAL ELECTRIC CO. LIMITED

The Gas Industry

Big Peacetime Job Ahead

War-created Gas Capacity To Raise Living Standard

—Photo, Consumers' Gas Co.

From the manufacture of optical glass to the welding of airplane joints, gas is providing an important means of production for war. Shown here is one of its many applications, the annealing of cartridge cases by means of a gas-fired tunnel furnace in a Toronto war plant.

Postwar planning is engaging the attention of many industries, and producers of gas — both natural and manufactured — are no exception. Many important new applications for use of gas have been worked out in wartime, and part of the postwar reconversion job will be to adapt new processes and equipment to peacetime work.

Authorities feel that a substantial backlog of demand is building up for the gas industry. For several years, stoves, water heaters and other gas appliances have not been available to any degree; buyers are waiting until the war is over to fill their needs. Victory loan reserves and pent-up installment buying are seen factors likely to reinforce demand from these people after the war.

With gas—natural and manufactured—a war priority material, so many new applications have been worked out for this product that ordinary peacetime industrial and household consumers have had to go short occasionally.

But with the return of peace. extra war-created gas capacity will likely be available for improving the efficiency of industry and raising the standard of living at large. New uses are being found —and new gas-using equipment whose value is now being explored will remain a postwar asset.

Many War Uses

Wartime uses of gas are almost too numerous to mention. Almost everything from optical glass to welded airplane joints is being turned out better and more cheaply because gas is available to do the job. Some of the places where gas is being employed directly in the production of war equipment are seen in the accompanying panel.

Provision of gas for both war and civilian purposes has taxed the resources of the Canadian gas industry. In some areas, notably southwestern Ontario, natural gas supplies have been insufficient and it has not been possible to provide enough natural or manufactured gas to take care of all requirements.

As far as natural gas is concerned, it has been necessary to make the civilians go short to provide for war work as it hasn't been possible to increase supply greatly. Natural gas production in Canada in 1942, at 42.7 million thousand cubic feet, was slightly less than the 43.5 million thousand cubic feet of 1941.

Bulk of Canada's natural gas is obtained in Alberta—31 million m.c.f. were secured there in 1942. Consolidated Mining & Smelting Co. has constructed and is operating a special war plant for utilization of gas from Turner Valley.

Ontario is the second largest producer of natural gas—11 million m.c.f. in 1942. It is noteworthy that value of natural gas produced in Ontario in 1942 at $6.6 millions even exceeded the $5.3 millions output value for Alberta.

In efforts to offset gas shortages, a real attempt has been put forth to increase output of manufactured gas. In 1942 sales of manufactured gas averaged 1.58 million cu. ft. a month. In the first seven months of 1943 sales averaged 1.7 million m.c.f. with indications that the level of output will be increased still further before the year is out. A most significant increase in manufactured gas sales took place in 1942.

What reconversion from war to peace will mean both to the individual company and to the consumer is now engaging the attention of industry officials. The Canadian Gas Association has formed an eight-man committee under chairmanship of J. D. von Maur (distribution engineer, Consumers' Gas Co.). This committee, representative of natural, mixed, and manufactured gas producers, is working closely with a similar committee of the American Gas Association which has been making extensive enquiries into the postwar gas situation.

So far, postwar investigation has been limited by the fact that it is not known what to expect after the war and how numerous allied industries will be affected.

Research work on the subject is more advanced in United States than in Canada and many of the results reached there seem to apply equally to Canada in many respects.

The following factors have been emphasized as affecting the postwar gas situation:

1. The replacement market for appliances now wearing out and becoming obsolete. (This field is being explored by individual gas companies.)
2. Markets created by new homes.
3. The gas home-heating market created by new house construction and also by an appreciation of gas for heating which has been accelerated by shortage of other fuels.
4. Improvement in living standards made possible by higher income levels, are expected to provide great new markets.
5. Preferences for certain styles and types of equipment as indicated by surveys.

Consumer Preferences

The gas industry, in its research, is keeping closely in touch with manufacturers of gas equipment. Consumer preferences will likely be quickly reflected in the products to appear on the postwar market.

There are two important reasons why gas industry officials think consumers after the war will be in the market for a wide range of gas-using facilities. The huge volume of war bonds sold means a large store of potential purchasing power. Much of this is in the hands of lower income groups which will likely have the means to purchase gas-burning equipment after the war. Installment buying has been largely eliminated by the war and extension of credit to consumers will probably be a factor in expanding demand after the war.

In the United States, postwar research by the American Gas Association postwar planning committee has been broken down into four subcommittees:

Postwar purchasing power and potential markets.

Factors affecting the realization of potential markets.

Engineering and economic aspects of ability to satisfy the potential market.

Effect of national planning and trends.

Agenda Not Public Yet

No definite agenda has been made public by the Postwar Planning Committee of the Canadian Gas Association, but as it is co operating with the American group, investigations may prove to be somewhat along the same lines.

Both committees are national in scope. Members are men who know the gas business thoroughly and are qualified to embrace all phases of the industry's work.

It is an already established fact that the gas industry has learned much from the war which will stand it in good stead when hostilities cease. Its eyes have literally been opened by possibilities revealed and the new outlets realized under spur of war needs. Part of the postwar planning job is to determine how new uses developed in wartime can be converted to peacetime usage. With gas equipment steadily becoming more efficient, the same amount of gas goes further today than it did a few years ago.

Much in the way of surprising new gas equipment has been fabricated to meet war requirements. A substantial part is highly specialized and will require ingenuity to adapt it to peacetime use. Salvage of equipment, such as that of the gas industry, is an important question and it is reported that the Dominion Government has a special committee devoted entirely to the question of equipment salvage, the gas industry being one in which it is interested.

From all indications a big backlog of postwar demand awaits the gas industry. Many homes have been built which it has been impossible to supply with gas. Many homes in Ontario normally use gas but are now doing without; they will expect to get their gas back after the war.

Gas appliances generally will be more efficient and certainly they will be better looking after the war, authorities state. The gas range today makes a pretty efficient use of gas, and it may not be much more efficient after the war, but there will be added devices—ignition may be with electricity—and the stove will be sufficiently attractive to fit in with the postwar home.

Postwar planners in the gas arena will assuredly be looking for outlets for gas to eliminate peaks in demand. For instance, gas companies would probably be glad to give up some of their market for cooking purposes if some other market could be secured that would call for gas demand at a time other than the "cooking hour peak." Gas people would also like to find a summer market for gas to correspond with the big wintertime market for gas heating. Operation at 100% capacity gives top efficiency with gas equipment just as it does in most other lines. And 100% efficiency is the goal of the gas engineer.

War Industry Uses Gas

In shell manufacture for:

Cutting billets to size by heat methods.

Heating billets to be hot forged.

Heating rough turned shells preparatory to "hot nosing."

Heating degreasing tanks for removal of oils, coolant compounds, etc.

Drying copal varnish on shell cavity.

In turning out armor plate for:

Batch and continuous normalizing, annealing, hardening and drawing furnaces.

In making gun barrels and jackets for:

Special type soaking pits to hold ingots at elevated temperature before forging.

Reheating furnace operations in intermediate stages of forging.

Turning out finished forgings in annealing furnaces.

In manufacturing springs to:

Heat stocks for winding large recoil gun springs.

Anneal stocks for cold wound springs.

Harden precisions springs (in prepared atmosphere furnaces) of a type with which surface treatment cannot be performed after hardening.

Operate continuous drawing furnaces.

Turn out small batch springs made in pot type cyanide furnaces.

In making gun mounts for:

Hot stamping, drawing, hardening, of every size and weight material from ounces to tons per piece.

In manufacturing ceramics for:

Drying and firing cantonment dishes, medical ware vitrified sewer crock, high voltage insulators.

In making other items:

Radio and radar tubes, special electric bulbs, armature drying, special prepared purging atmospheres.

Special drying ovens for poison gas detection sheets, special radiant burners for cooking synthetic varnishes and oils.

Special pot furnaces for melting and controlling die cast metals and battery plate manufacture.

Wartime Record of Gas Sales

	Natural m.c.f.	Manufactured m.c.f.	Total m.c.f.
1943 (7 mos.)	18,839,770	11,922,583	30,762,353
1942	29,554,421	18,914,397	48,468,818
1941	29,673,000	16,958,782	46,631,782
1940	34,162,733	16,195,547	50,358,280
1939	31,928,682	16,087,044	48,015,726
1938	31,370,930	16,476,700	47,847,630

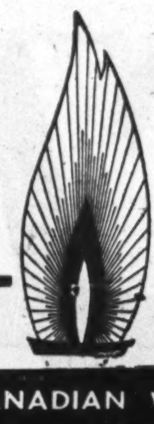
From the Clouds of War...

NATURAL GAS IN ALBERTA

...will emerge with a vigorous flame!

Prior to the War, Alberta Natural Gas utilities derived their loads largely from services to the homes. During the war, however, these utilities are being called upon to meet unprecedented demands from established industries, from new industries created because of the war, and from concentrations of wartime populations.

Alberta gas utilities have met all these extra demands. They have at the same time maintained their services to the homes . . . have even increased them. Thus when the clouds of war finally lift, Natural Gas in Alberta will be serving more homes than ever before . . . and will be ready to take advantage of whatever opportunities the post-war years offer.



THE CANADIAN WESTERN NATURAL GAS, LIGHT, HEAT AND POWER CO. LTD.
HEAD OFFICE CALGARY
NORTHWESTERN UTILITIES LTD.
HEAD OFFICE EDMONTON

TO-DAY--

Transportation Companies and their Passengers feel the need for More Vehicles

— But, these are restricted because of war priorities

TRAFFIC, HOWEVER, CONTINUES TO INCREASE. 12.4% more passengers are demanding service from us this year than last. This in addition to an increase in 1942, of 50.4% over pre-war years, or a total of 69.1% over 1939.

WHAT THEN IS THE SOLUTION TO THIS PROBLEM, which concerns all business activities, war production, management and employees?

ONE DEFINITE SOLUTION IS TO spread out the rush-hour periods so that some trams and buses may be able to make a second or even a third trip through a given area during the rush hours.

This can be accomplished by modifying the time of working hours at office, shop or factory to either earlier or later than in normal times or in other words — "staggering" of hours.

If All Co-operate Much Can Be Done To Improve Transportation Facilities

MONTREAL TRAMWAYS COMPANY

Transit's Plans

Lightweight Trams and Buses?

To Study Cash Reserve and Subway Installation

What is ahead for urban transit, as Canada and the world move toward a possible sixth year of war?

New lightweight vehicle design?

Large scale equipment purchases?

Cash reserves against modernization?

Subways for Montreal and Toronto?

More trolley buses?

These, at any rate are postwar projects occupying progressive minds of the transit industry at the moment.

Transit is exploring prospects for postwar expansion.

It is studying the implications of work and expenditure due to accelerated depreciation following the marked gain in the pace of deterioration of way, structures and rolling stock as result of deferred replacements and maintenance.

It is attempting to assess a coming load recession and heightened competition from the automobile.

Few clear conclusions have been reached, but The Financial Post here assembles a few of the general concepts with which the larger systems are increasingly concerned.

Two Heavy Planners

Towards inauguration of rapid transit in Canada, both Montreal Tramways Co. and Toronto Transportation Commission have engineers planning initial construction for subways or open cuts to lessen long-term central traffic congestion. (See Financial Post, May 8 and Sept. 4.)

Worn-out equipment on both systems, and indeed on most Canadian systems due to war pressure, appears to promise a large replacement and reconditioning program.

TTC has been reported to be contemplating a $12 million outlay for rehabilitation of equipment, structures and way. The system is operating at least 234 cars and 34 buses which are well past normal retirement age but has been able to obtain in wartime only 60 cars and 48 buses.

Assistant Manager H. W. Tate recently told the Toronto Railway Club the Commission considers most important the setting up of a reserve for accelerated depreciation.

Mr. Tate, foreseeing heavier bidding for transit custom by automobile manufacturers, says transit management will have to fight back with the same weapon, i.e., better vehicles and improved service as opposed to the coming lightweight auto, improved gasoline, etc.

Montreal Tramways' equipment problem is similar; the company has been able to obtain in wartime only 12% in rolling stock against a 38% mileage gain.

Trolley Bus Trend

Edmonton Utilities Commissioner R. J. Gibb tells The Post the policy there is to convert a considerable portion, if not all, of the city-owned system from street car to trolley bus operation. TTC may substitute trolley or gasoline buses for some car operations. Montreal is considering expansion of trolley bus lines. Kitchener Utilities Commission is said to be increasingly interested in this type of vehicle.

Problems of equipment depreciation, deferred maintenance, and future competition from the automobile are already concerning leading members of the transit industry throughout Canada. These matters have to be cleared up, as this article shows, before the transit industry can proceed with developments such as introduction of new lightweight vehicles, purchase of new equipment or construction of subways in the greater metropolitan centres of the country.

Winnipeg Electric Co. has added to its fleets during the war period no street cars but 66 buses—six of them, trolley models.

At Vancouver, B.C. Electric Railway Co. has had an order on file for two years for 20 street cars; it tells The Post the system may get 17 as part of an order to be shared with Montreal and Toronto.

At Windsor, the Sandwich, Windsor & Amherstburg Railway Company, has been able to get in wartime 10 buses of the 50 said to be required.

Hamilton Electric Railway Co., says its need is urgent for new cars and buses as replacements.

N.S. Light & Power Co. reports it plans to maintain its Halifax service essentially as a tram system. Halifax is now bursting at the seams, but how much it and other war-swollen centres will be reduced as the war subsides, is anybody's guess. Ottawa and Edmonton are other question marks.

Need Cash Reserve

A most pressing consideration in pre-peace transit management is the setting up of cash reserves against a period of possible dislocation and heightened competition in vehicle engineering, Board Chairman W. H. Furlong, K.C., of the Windsor system, told a labor audience there early this year.

Reserves of this character would be designed to cover deferred maintenance, revenue stabilization, and rehabilitation—the latter including modernization and economies to strengthen competition with the new-day automobile.

Vice-President and Manager D. E. Blair of Montreal Tramways believes the groundwork has been laid during the war for more intimate contact with the public and with governing bodies. He also thinks many wartime measures and co-operative habits will continue, such as staggered hours and skip stops.

"Necessity of maintaining best possible schedule speeds undoubtedly will be carried over into the postwar thinking of municipal traffic authorities," Mr. Blair tells The Post.

War Boosts Transit Load

(Thousand Revenue Passengers, Street Cars, Urban Buses)

City	1938	1942	% Gain
Halifax (cars)	9,141	24,395	167
Saint John (both)	6,250	11,074	77
Montreal (both)	208,261	319,398	53
Quebec (both)	16,098	28,937	79
Hull (both)	2,788	5,904	112
Ottawa (both)	20,728	42,848	107
Toronto (both)	155,722	264,573	69
Hamilton (both)	15,734	29,675	88
London (buses)	8,890	14,750	66
Windsor (buses)	8,399	22,831	172
Winnipeg (both)	43,474	66,750	54
Regina (both)	5,495	9,326	69
Edmonton (both)	14,234	21,359	51
Vancouver (both)	71,162	99,156	39

Inglis Shows How It Beat Absenteeism

Ainsworth Explains Steps Taken to Best This Problem

Reduction of absenteeism among warworkers has been one of the knottiest problems wrinkling the brows of production men throughout Canadian war industry. The John Inglis Co., however, has solved the problem in what it claims to be a satisfactory way, Lee Ainsworth, vice-president and general manager of the company, told the Engineering Institute of Canada and the American Society of Mechanical Engineers.

With less than 500 employees at the beginning of the war, personnel today numbers more than 17,000. Mr. Ainsworth explained how management succeeded in maintaining production schedules. Complete staffs of technical and plant operators were developed by organizing a clearly defined group of top executives—mostly under 50 years of age. They set up budgeting and production control systems and a sizeable training program for all classes of workers—junior executives, foremen and operators. Simultaneously engineering departments stressed labor-saving devices and straight line production methods.

60% Women Workers

Labor-management committees, said Mr. Ainsworth, reduced labor turnover among women workers—who operate 60% of the production machines — by introducing foreladies, termination interviews and analyses.

Ninety per cent of the supervisory staff has been upgraded from the ranks of toolmakers and operators by means of extensive training programs and provision of selected reading matter, courses in job instruction training and job relations training.

Absenteeism has been reduced 60% by introduction of various service facilities, frequent campaigns, cutting of hours of work to three eight-hour shifts—most essential for women workers—and automatic dismissal of employees if they are absent four days without leave.

"To sustain individual effort on the part of their employees," said Mr. Ainsworth, "the principle of 'equal pay for equal work' and continuous job evaluation has been adopted, which along with an incentive bonus system on the group basis, including inspection, provides a monetary incentive for each and every production employee to excel at his job. Labor-management committees have been set up and have proved very successful. Over $40,000 has been paid out to date as awards on the employees' suggestion award plan for suggestions resulting in over $600,000 per year savings in labor and material, and over $475,000 in machines. In addition, working conditions have been made as compatible as possible.

"The company has an open shop policy, but has collective bargaining agreements with both craft and industrial unions.

"The company is constantly analyzing its operations with a view to replacing men of military age with women and at present has less than 4% of the employees on military deferment."

PLANT ACIDENTS 11,243

In September there were 11,243 accidents in industrial plants in Ontario, including 35 fatalities, reports Workmen's Compensation Board as released to industry by Industrial Accident Prevention Associations. Awards for compensation and medical aid in September totalled $772,904, of which $148,573 was for medical aid.

MORE RCAF SQUADRONS

There are at least 32 RCAF squadron establishments outside Canada, and this number will be increased to 38 by the end of the present year, it is announced.

U. S. Spends Great Sums

War expenditures by the United States Government in Sept. 1943 amounted to $7,212 millions, a decrease of 4% from August, or $317 millions.

Average daily rate of expenditure in the same month was $277.4 millions, a decrease of $12.2 millions from August and an increase of $27.5 millions per day compared to July.

Monthly war expenditures and the average daily rate from July, 1940, through Sept. 1943 are shown in the following table:

Monthly and Daily Rate
Third Quarter 1940—Sept., 1943

(In millions of dollars)

	Monthly expenditures $	Daily rate $
1940		
3rd qtr., mon. ave.	224	8.6
4th qtr., mon. ave.	413	165
1941		
Jan.	609	23.4
Feb.	634	27.6
March	809	31.1
April	833	32.0
May	951	36.6
June	908	36.3
July	1,023	39.3
Aug.	1,290	49.6
Sept.	1,447	57.9
Oct.	1,854	68.7
Nov.	1,549	67.3
Dec.	1,988	76.5
12-month total	13,895	45.6
1942		
Jan.	2,193	81.2
Feb.	2,401	100.0
March	3,025	116.3
April	3,461	133.1
May	3,824	147.1
June	4,213	162.0
July	4,708	181.1
Aug.	5,163	198.6
Sept.	5,459	218.4
Oct.	5,722	211.9
Nov.	6,112	244.5
Dec.	6,125	235.6
12-month total	52,406	169.1
1943		
Jan.	6,254	240.5
Feb.	6,081	253.4
March	7,112	263.4
April	7,290	280.4
May	7,373	283.6
June	7,688	295.7
July	6,746	249.9
Aug.	7,529	289.9
Sept.	7,212	277.4

THE ROBERT MITCHELL COMPANY LIMITED
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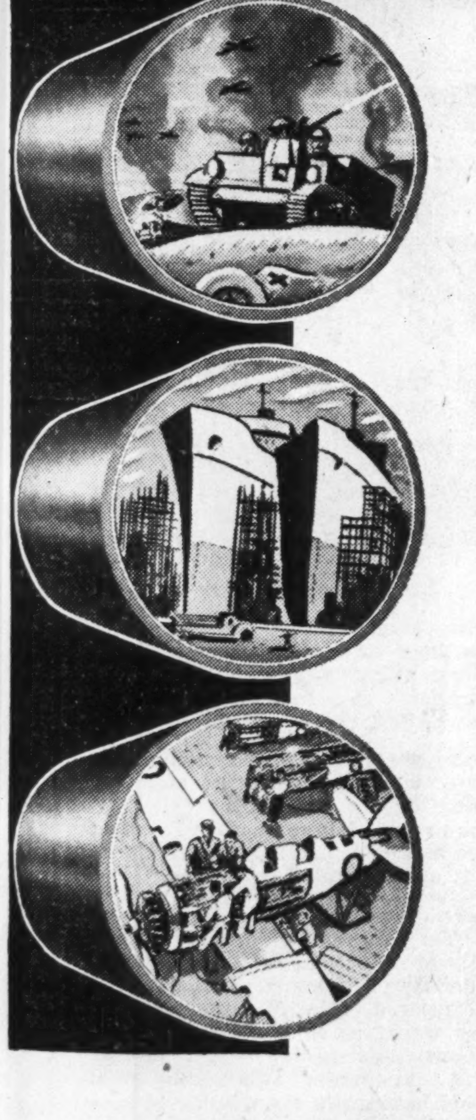

Precision plus, that is what most war equipment specifications demand. For tubular parts some people still think only seamless tube will do the job. That idea is old fashioned ... pre-war ... dead. Necessity killed it. Manufacturers had to have larger quantities of high grade tubing. So, greatly daring, they tried STAN-STEEL Electric Welded Tubing for some of their parts, and more of it in their plant equipment.

Did it work? Read the headlines — Canada's production figures — what our forces and equipment are doing. That is proof enough of the sober truth of what we have been saying for years — ELECTRIC WELDED TUBING AS MADE BY STAN-STEEL IS AN ACCURATE ENGINEERING PRODUCT OF THE HIGHEST CALIBRE.

Be logical. Follow up that conviction by seeing what Stan-Steel Tube can do for your product and methods. Send us a blue print of some fabricated part for us to re-design in tubing — to your advantage.

STAN-STEEL TUBE
STANDARD TUBE COMPANY LIMITED • Woodstock, Ontario

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DISTRIBUTED CONCENTRIC
POWER TRANSFORMERS

English Electric offers a new power transformer construction — The fully shielded DISTRIBUTED CONCENTRIC type—a unique form of transformer design developed for the higher voltage applications.

More than 1/4 million K.V.A. of DISTRIBUTED CONCENTRIC transformer capacity is already in service.

Typical Distributed Concentric Assembly (Single Phase—30,000 K.V.A.—161,000 Volts)

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Communications

Have Answer for Wartime Need

Telegraph, Telephone, Mail Meet Great Demands

The stepped-up economy of Canada at war has resulted in telegraph, telephone and postal communications being stretched almost taut. In trying to answer simultaneous demands from business, government and the various services and to maintain efficiency with shortened supplies and reduced labor crews, the three systems deserve plaudits for devising ways and means to cope with the daily headache they are forced to endure. There is one bright side to it all: as a result of developments born of war needs, a great many new possibilities have opened up for postwar planning.

Wartime efficiency and morale require that people communicate with one another in speedy and dependable fashion, and Canada's mail, telephone and telegraph systems have responded to this vital need. It is the common experience of everyone that the war has seen no serious reduction in the standards of service supplied by communication systems, and this in spite of a tremendous increase in demand while means of expansion have been greatly limited both in terms of materials and manpower.

Maintenance of telephone, telegraph and mail service is in all three cases a highly technical job requiring the utmost in ingenuity

Through the efforts of the organizations engaged in providing these services few restric-
and effort to satisfy increased demand under conditions of short labor and material supply and huge staff turnover.
tions have had to be imposed, with the exception of certain individuals who desired telephones for personal use being unable to obtain them. In an effort to maintain efficient service, telegraph companies have eliminated certain frills, the number of daily mail deliveries have in some cases been reduced, and telephone companies have appealed to the public to reduce unnecessary calls and to use the long-distance phone at off-peak periods. None of this, however, has entailed any real loss in service, though perhaps there have been minor inconveniences.

Telegraphy has progressed far since the days when everything was sent and received by Morse code and only a couple of messages could be sent over each wire. Today, if necessary, more than 250 messages can be transmitted over one pair of wires. Simultaneously three telephone conversations can be carried over these same wires.

While most people still think of the telegraph business in terms of Morse code messages, teletype has become the principal means of telegraphic communication. Although Morse apparatus is kept on hand at all telegraph offices in case of emergencies, it is now used for less than 20% of all transmissions. Even these are steadily decreasing in number. Nevertheless for some time there will continue to be stations too small to justify installing a teletype machine. Here Morse will continue in use. It is estimated, though, that these will account for only 5% of all messages.

Now teletype is in danger of being edged out by newer and better techniques. The wire photo or facsimile has entered the field of telegraphy. Long employed in photograph transmission, the wire photo is now being used to send the printed word. At present this device is in the experimental stage in Canada, being used to carry messages from one or two large business offices to the telegraph office in the same city, where the message is then sent out in the regular way. In the U. S., however, inter-city communication has already advanced far.

But this is for the future. At present the development which has enabled telegraph companies to handle an unprecedented amount of business with a staff and line mileage not much greater than that of the last war, has been the use of carriers. By this method a great number of messages can be sent over one set of wires.

The carrier system sets up as many as 24 circuits over each pair of wires. Messages may be sent over each circuit six at a time by using different frequencies. Private teletype circuits may be leased, as can voice circuits over which telephone communications can be made. The carrier system alone has made possible the handling of the present volume of messages. This technique represents a major development in the telephone industry as well.

As in other industries, maintenance of telegraph service has been suffering from shortage of labor. In this respect the problem has been solved largely by resorting to the employment of women. At present there are 2,017 women employed out of a total labor force of 6,741 persons, including all-over Canadian employment in telegraph organizations. This compares with prewar figures of 784 women out of 5,929.

Many men have left to join the armed forces. In the East alone about 250 men are employed in maintaining military telegraphic services on the lines of the Canadian National and Canadian Pacific Railways.

Still others have joined up for service out the system, and these have to be replaced in the main by women. Women selected to operate teletype machines are for the most part former typists, since the work is like very exacting typing. Many are being taken now, however, and trained from scratch.

Training schools have always been part of the Canadian National and Canadian Pacific organizations, but these have had to be greatly expanded to meet demands of wartime turnover and replacement. Present classes are of record size. These schools are located at all principal points in Canada.

Staffs of technical and maintenance men have been harder to replace; are working hard and long hours to maintain service. The same applies to linemen and others who are patrolling and inspecting lines and equipment.

Supply Many Services

The many services rendered by telegraph organizations go far beyond receiving and sending individual telegraphs. A huge network of leased wires serves newspapers, large industrial companies, stock brokers (now considerably reduced on account of the war), the Department of Defense, Department of Munitions and Supply and other Government departments.

In connection with the TCA, telegraph facilities form an integral part of the whole airline organization, supplying instant contact throughout the system and providing a meteorological service. Through its system of teletype communication, continuous contact is maintained with all parts of the system and immediate information is available on travelling space, cargoes, flight schedules, weather reports, and all other aspects of airline operation.

Another major service provided by the telegraph companies is supplying national network of leased wires for communication between broadcasting stations. Handled by the telegraph companies also is the job of maintaining the Canadian radio network and supplying control stations, where networks are remade after each broadcast and control as to fidelity of transmission of broadcasts is maintained. A radio program, for example, is sent out from the studio just as it should be heard by radio listeners. It is the job of station attendants at control points to see that transmission over the network to the various stations does not result in any change in the sound after it leaves the studio.

Schools are maintained for training such attendants.

There are estimated to be about 400,000 miles of wire in Canada's telegraph system, inclusive of all lines. Of this number, the Canadian National and Canadian Pacific organizations account for over 350,000 miles.

Telephones Increase Steadily

In the face of critical material shortages and loss of skilled workers, telephone companies have had to handle an increasing volume of business, and constant demands for new installations for the armed forces, industry and government. Military camps have had to be equipped with telephone exchanges on short notice and war plants and new or expanded Government departments have also had to be equipped with immediate telephone service. Number of calls made in Canada has increased from 2.6 to 2.8 millions between 1938 and 1943.

This has necessitated the most careful utilization of materials, and has made it necessary to discontinue supply of phones for individual use. The demand for phones has risen until at least 75,000 to 100,000 telephones could be placed if available. On the Bell system alone in only seven months of 1943, over 31,000 applications had to be refused.

Former Emergencies Now Normal

Handling emergencies is not new to the telephone industry. Peak Christmas rushes, equipment breakdowns necessitating quick repairs and replacements, and rush installations have always occurred. The industry has drawn on its experience and applied it to large-scale problems and peak loads every day of the year.

One new problem has been to devise ways of conserving materials. Increased use of the carrier system has enabled fuller utilization of existing wires and saved many tons of copper. Use of tin in the solder for cable repair has been cut in half and in all work done rigid economy has been practised. At no time has there been delay in filling essential needs.

40% Increase at Ottawa

Largest single area of expansion of telephone service has been at Ottawa. In the Ottawa-Hull area there are at present 40% more phones than in 1938, and the heavy use to which Government phones are put necessitates a large amount of maintenance work—25% to 30% of all such work being done in that area. The number of long distance channels leading out of Ottawa has nearly doubled since Sept., 1939, from 114 to 203, and 70 operators have been added to the long distance staff, bringing the total to 135. Number of circuits to Montreal alone has increased from 19 to 52, mainly as a result of the laying of a new underground cable.

Examples of the expansion of small or medium sized stations can be found at Camp Borden and the nearby town of Barrie, and at Kingston, Farnham, Valleyfield and Sorel. Not only has a huge volume of business calls for military camps and war industry had to be handled, but personal calls of Army and Air Force impose heavy burdens on the long distance facilities at any point where they are stationed.

For the Future?

To facilitate communications between large centres, dial operation has been introduced which allows an operator in Toronto, for instance, to dial a number in Montreal direct. Although the general installation of this type of communications is not expected soon, possibilities in this direction are very great.

Extension of carrier telephony by the use of the coaxial cable, which permits transmission of frequency bands of a million cycles may be achieved in the future. With methods of compressing the band of frequencies

(Continued on page 27)

Partnership in Purpose

"I have heard it said that the Canadians consider themselves honoured to be part of the 8th Army. I'd say it is a great honour for the 8th Army to have them—and we'd like some more."
—General Sir Bernard L. Montgomery.

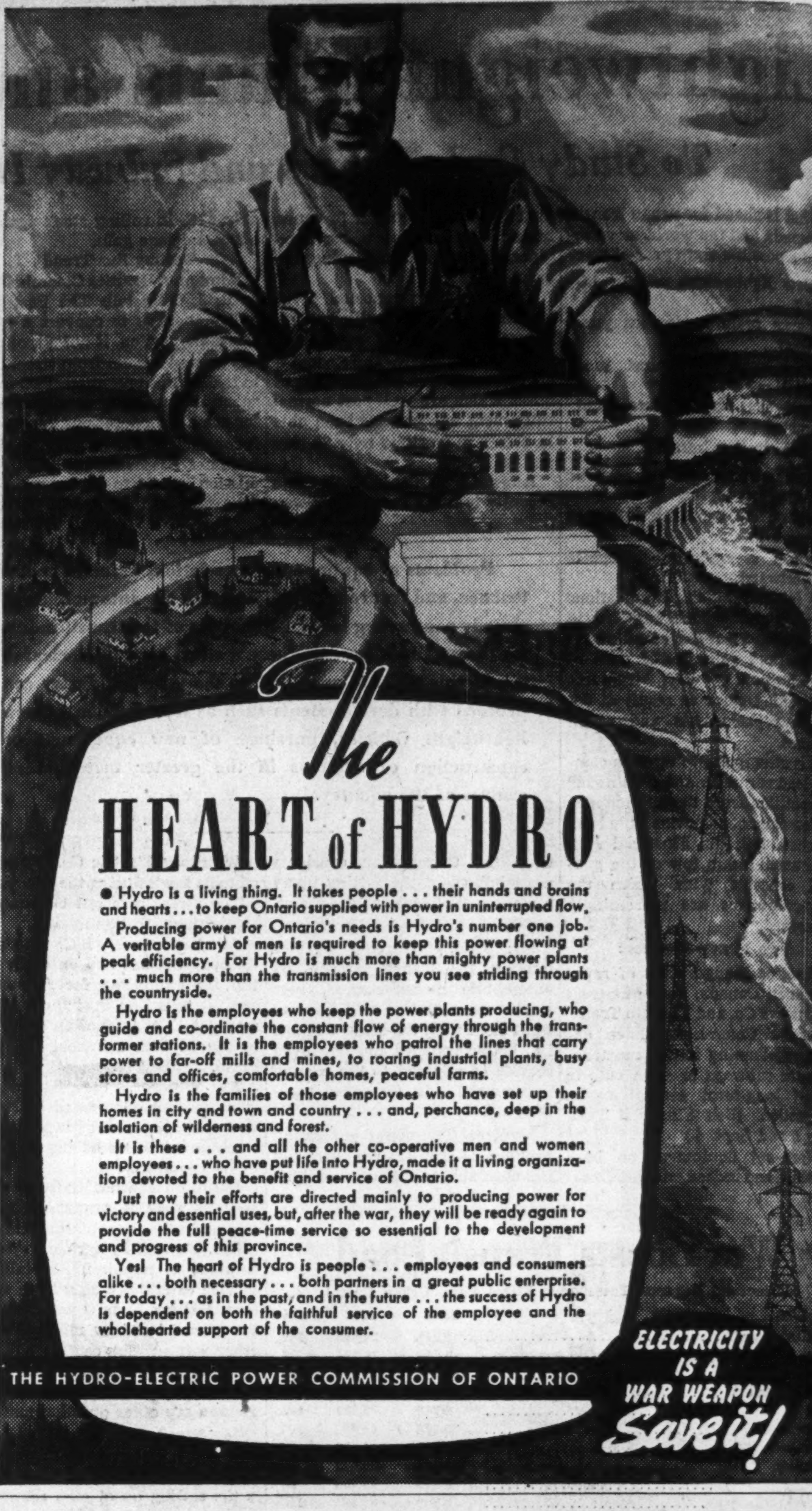
THUS does the Commander of the famous British 8th Army voice the kinship, understanding and solidarity which bind Canada to Great Britain, now displayed afresh in the joint effort they are making, in concert with all the United Nations, to crush world tyranny.

To be worthy of this glorious partnership, this unflagging determination, we on the home front must work, must save, must put our savings into Victory Bonds.

Above all, let us hold on to our Victory Bonds, and so keep our dollars fighting, as our men will keep fighting, until Victory is won.

THE DOMINION BANK

C. H. CARLISLE, President — ROBERT RAE, General Manager



The HEART of HYDRO

● Hydro is a living thing. It takes people . . . their hands and brains and hearts . . . to keep Ontario supplied with power in uninterrupted flow.

Producing power for Ontario's needs is Hydro's number one job. A veritable army of men is required to keep this power flowing at peak efficiency. For Hydro is much more than mighty power plants . . . much more than the transmission lines you see striding through the countryside.

Hydro is the employees who keep the power plants producing, who guide and co-ordinate the constant flow of energy through the transformer stations. It is the employees who patrol the lines that carry power to far-off mills and mines, to roaring industrial plants, busy stores and offices, comfortable homes, peaceful farms.

Hydro is the families of those employees who have set up their homes in city and town and country . . . and, perchance, deep in the isolation of wilderness and forest.

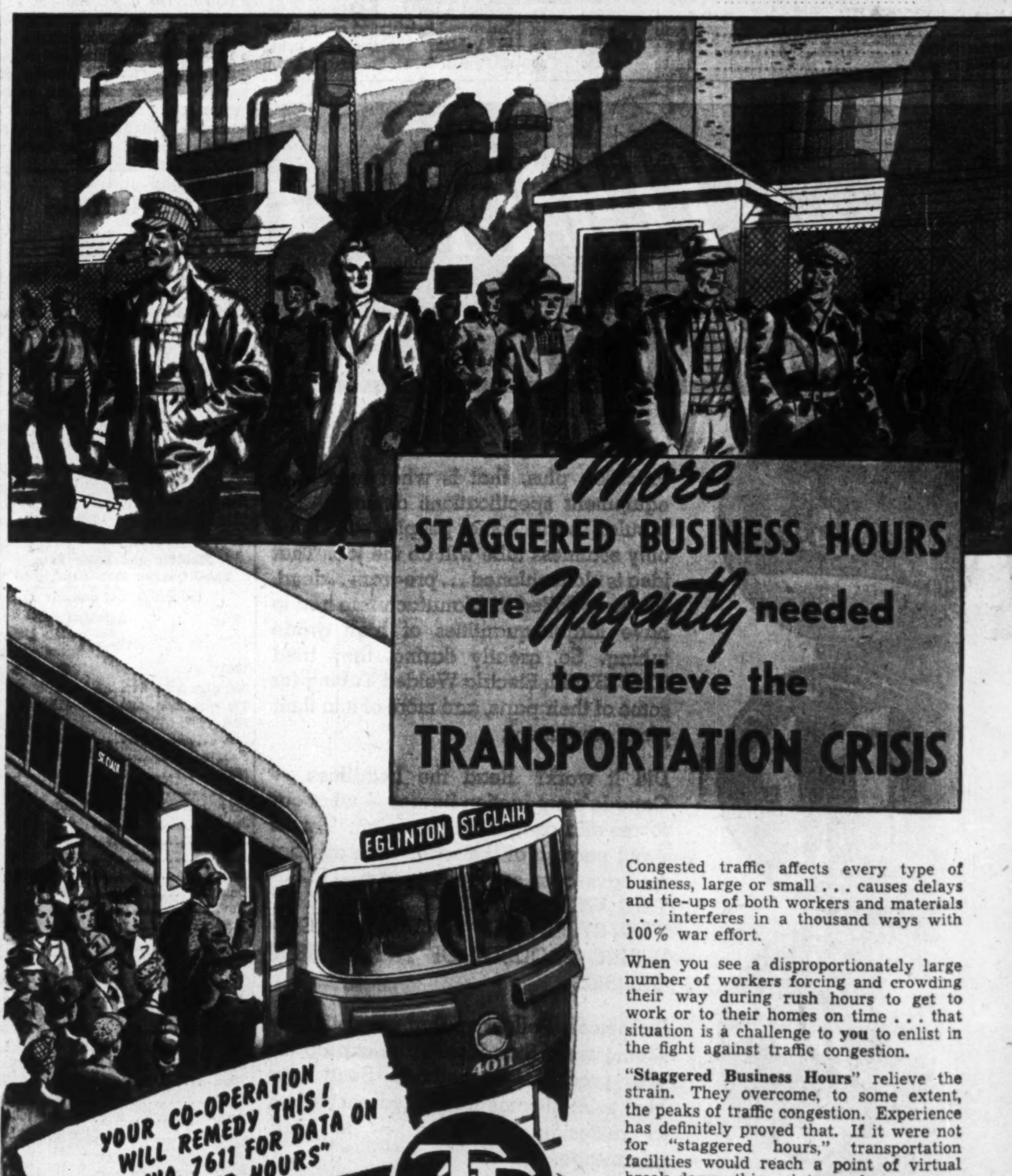
It is these . . . and all the other co-operative men and women employees . . . who have put life into Hydro, made it a living organization devoted to the benefit and service of Ontario.

Just now their efforts are directed mainly to producing power for victory and essential uses, but, after the war, they will be ready again to provide the full peace-time service so essential to the development and progress of this province.

Yes! The heart of Hydro is people . . . employees and consumers alike . . . both necessary . . . both partners in a great public enterprise. For today . . . as in the past, and in the future . . . the success of Hydro is dependent on both the faithful service of the employee and the wholehearted support of the consumer.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

ELECTRICITY IS A WAR WEAPON *Save it!*



More STAGGERED BUSINESS HOURS are *Urgently* needed to relieve the TRANSPORTATION CRISIS

Congested traffic affects every type of business, large or small . . . causes delays and tie-ups of both workers and materials . . . interferes in a thousand ways with 100% war effort.

When you see a disproportionately large number of workers forcing and crowding their way during rush hours to get to work or to their homes on time . . . that situation is a challenge to **you** to enlist in the fight against traffic congestion.

"Staggered Business Hours" relieve the strain. They overcome, to some extent, the peaks of traffic congestion. Experience has definitely proved that. If it were not for "staggered hours," transportation facilities would reach a point of virtual break-down this winter—when surveys indicated that there will be a substantial **additional** increase in the number of passengers, **over and above** last year's peak.

You co-operation in encouraging more "staggered hours" is urgently needed . . . and invited.

TORONTO TRANSPORTATION COMMISSION

Production Record

Canada's Share Grows Fast

Ships, Planes, Munitions of All Kinds Included

Canada, a country that had shipyards but had not produced a seagoing vessel in 20 years, is now launching ships at the rate of one a day. Two destroyers have come down Canadian ways.

So reported H. J. Carmichael, co-ordinator of production, Department of Munitions and Supply, to a recent joint meeting of the Engineering Institute of Canada and the American Society of Mechanical Engineers.

More than 550,000 mechanical transport units and armored fighting vehicles have been made by the Canadian automobile industry for the United Nations.

From a handful of planes a year, we are now turning out eight of the "finest trainer and combat types in the world." We make the most intricate types of modern signals and communications equipment; are now turning it out at an annual rate of $250 millions.

Mr. Carmichael said machine gun and small arms production was up 50% in the summer of 1943 over 1942; small arms ammunition up 30%; signals and communications equipment doubled, while the dollar and poundage basis of plane production had substantially increased.

Total value of contracts awarded by M. & S. for war materials now exceeds $8,900 millions, exclusive of food and raw materials, he said.

In order to utilize to the maximum all resources, the Canadian program is closely integrated with United Kingdom and United States requirements. In many cases technicians have disclosed to each other all improved methods and pertinent data regarding new processes. United States, under the Joint War Production Committee, has placed war contracts in Canada of well over one billion dollars, of which over 675 millions have been delivered, the balance to be delivered at the rate of $50 millions monthly.

Canada is at its maximum as far as physical volume is concerned at the present time, said Mr. Carmichael. The infant aircraft industry will have produced 10,000 planes by the end of 1943. One third of all mechanical transport used by the fighting forces of the United Nations was produced in Canada. The chemicals and explosives industry will have reached one million tons of their products, while normal peacetime production of the instruments and communications industry will have been upped by the end of the year to $200 millions.

Airplane Maintenance

Mr. Carmichael paid tribute also to the work done in maintaining and repairing of airplanes and ships. "This little-heard-of industry occupies well over two million feet of floor space and employs over 15,500 workers, 35% women, in the field of ship repairs; during three years of this war, exclusive of naval ships, this division repaired over 5,000 vessels averaging 4,000 tons each, while 4,000 naval ships have been repaired and put back into service."

Canada has doubled the peak in steel production of any pre-war year and now exceeds an annual rate of three million tons. Alloy steel is well over ten times its pre-war figure, while Canada is now the greatest base metal exporting country in the world. She is producing the following percentages of the combined output of the United Nations:

Canada Supplies

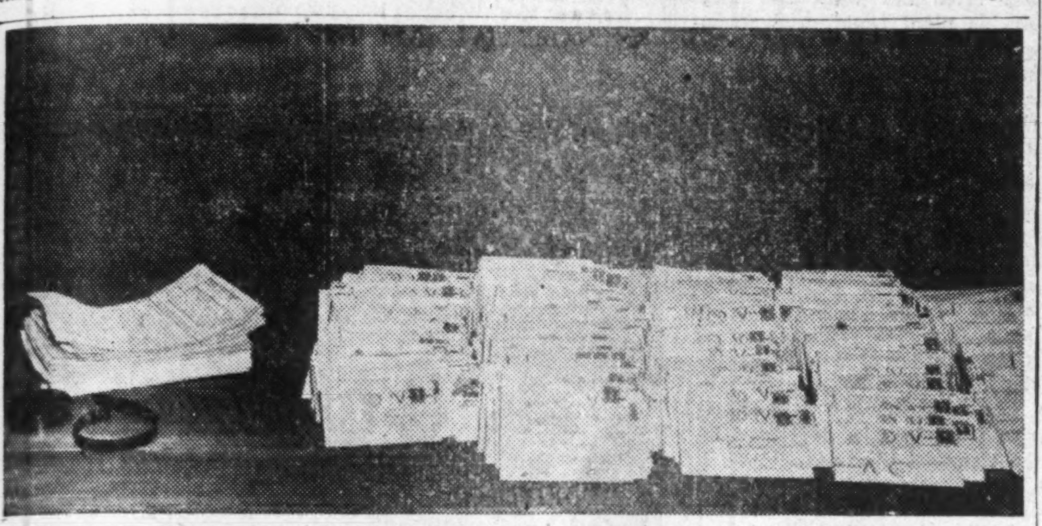
	%
Nickel	95
Asbestos	75
Aluminum	40
Mercury	20
Zinc	20
Lead	15
Copper	12½

Mr. Carmichael noted that over a billion dollars have been spent in expanding and equipping war plants and defense projects, formation of 28 Government-owned companies to assist in production of war materials.

Stressing the complexity of problems of raw material supply in the co-ordinated Anglo-Canadian-American production program, he said, control of materials and services has been necessary.

"You can't make guns without steel," he said, "and you can't run steel plants without coal and you can't supply coal without transportation and you can't run a manufacturing plant without electricity and you can't make ships without engines and to make engines you must have the parts. One missing part may mean that a ship can't sail or a bomber can't fly or a gun won't fire. So one war plant can't have materials and services at the expense of another. It is a very intricate set-up and the wonder is that it runs as smoothly as it does. And along with all that, parallel to the problems of wartime production, are the problems of producing for the civilian population.

"The Control Board has a gigantic job to find enough timber, rubber, steel, copper, power and other services and materials for the war program."



Airgraph, answer to the problem of finding enough space for airborne mail. It makes possible the shipping of 107,200 messages by film in the same space that would be occupied by 1,600 ordinary letters. The roll of film show here holds 1,600 messages, weighs four oz. The same number in ordinary letter form weigh 16 lbs., 11½ oz. Some 50,000 airgraph messages are flown weekly from Canada.

Canada's War Production

WHERE IT GOES

Supplied to:	
Canada	30%
U. K. and other Empire countries	48%
U. S., through War Supplies Ltd.	22%

PRODUCTION BREAKDOWN

Automotive Industry (War Period):
Mechanized Transport and Armored Fighting Vehicles .. 550,000 units

Radio:
100 kinds of equipment being made.
1943 output valued at $250 millions.
One vehicle radio set alone comprises 6,000 parts.

Shipyards (Beginning of War to Sept. 18, 1943):	
Cargo vessels	215
Escort vessels	405
Total	620
Smaller ships	4,000
Machine Guns and Small Arms (for 1943 over 1942):	
Total output increase	50%
Small arms increase	30%
Chemical and explosives increase	10%
Gun production increase	15%

Ordnance (War Period to Sept., 1943):
Heavy guns, 60,000 units.
Small guns, 800,000 units.
Filled ammunition, 467 million rounds.
Small arms ammunition, 2,500 million rounds.

Instruments and Communications: $200 millions.
Miscellaneous Stores, etc.: $2,500 millions.

Safety Devices Widely Needed

Railroads Develop Such Signals as Fusee and Torpedo

Railroaders guard against hazards of track damage, fog and other saboteurs by carefully planned safety precautions. This is of great importance during war when increased rail traffic calls for operation of extra sections of regular trains or running of innumerable "specials" such as troop trains, says an article in the C-I-L Oval.

Two chemical traffic "cops"—the track torpedo and the fusee or flare—are standard equipment on railroads.

The fusee is lit and set on the roadbed to warn train crews of track obstructions and other hazards. It burns with a brilliant red or yellow light for at least 10 minutes regardless of wind, rain or snow.

The track torpedo sits on the top of the rail like a small crab and explodes with a sharp report when the leading wheel of a locomotive runs over it, thus warning the engineer to stop or to proceed at reduced speed, depending upon the number of torpedoes used.

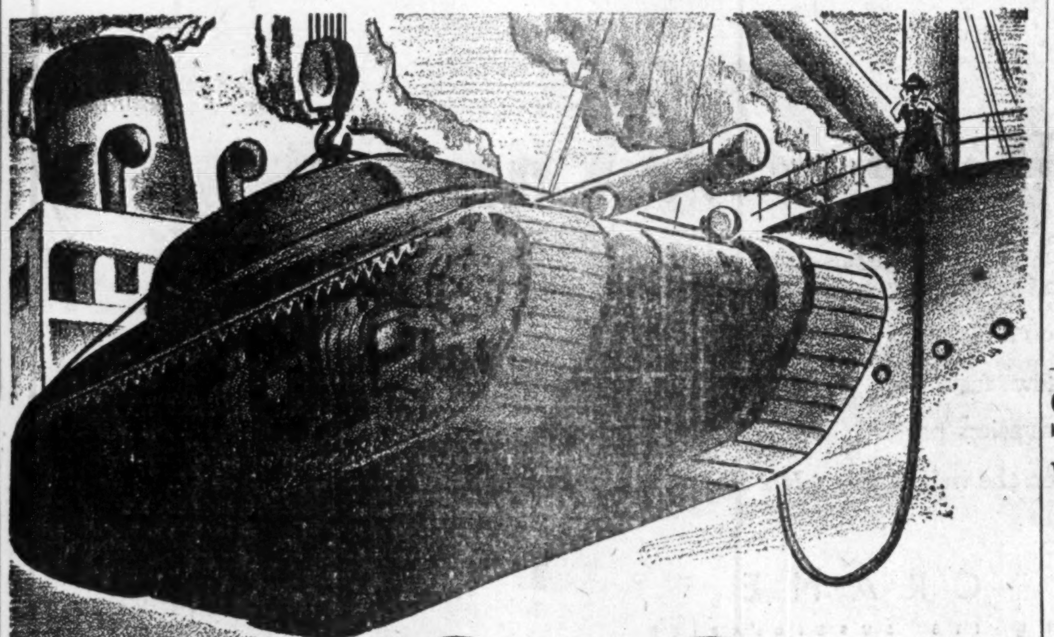
The flares are used also by safety-minded motorists either as illumination by which to make repairs at night or to "flag" a passing car. At airports, too, these signals warn flyers of unexpected obstacles which would otherwise make their landing extremely hazardous.

EXPLOSIVE MATTER

A million tons of chemicals and explosives can be used up quickly by our fighting men, says the C-I-L Oval for October.

Out of one ton of TNT almost three torpedoes or seven depth charges, or four 1,000-lb. aerial bombs, or 2,000 25-lb. shells could be filled. It would take almost twice as much cordite to hurl those shells onto enemy targets.

Approximately 250 anti-tank mines would use up a ton of TNT, whereas the same quantity of amatol, a mixture of TNT and ammonium nitrate, would load about 60 howitzer shells which would require almost a similar amount of cordite to speed them on their way. A .303 rifle or machine gun cartridge is loaded with about one tenth of an ounce of smokeless powder as the propellent for the bullet.



GAS
Speeds Production

OVERSEAS SHIPMENTS REACH NEW RECORDS

Gas plays vital role in wartime industry!

CANADA comes of age as an industrial country! Already it is the fourth largest war producing nation among the Allies—first in shell and munitions production. The full story must wait for the coming of peace.

Gas—always noted for its speed, is working longer hours than ever before; Gas—famous for its versatility, is solving new production problems; and Gas—the economical fuel, is keeping costs down while production soars.

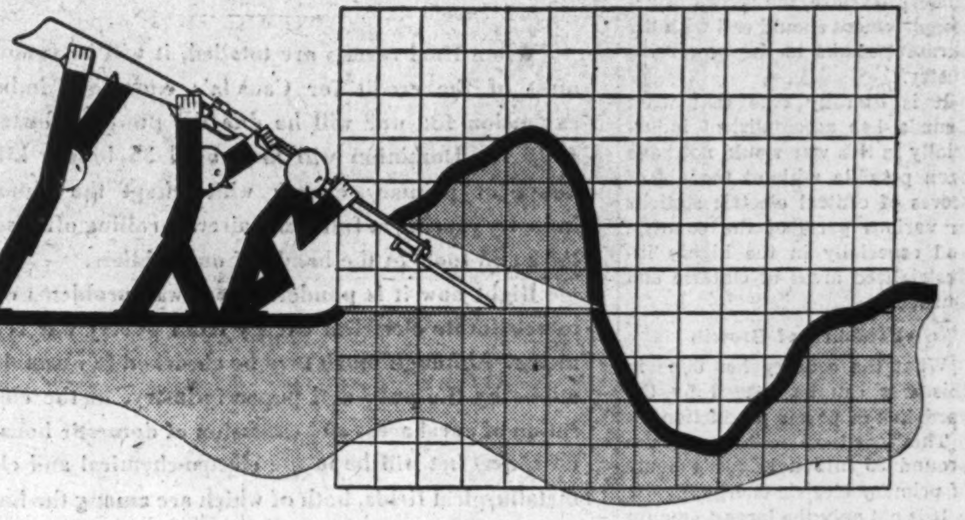
It stays steadily at work on the home front, too. Gas ranges simmer merrily with wholesome food for the production-line soldiers, keeping them fit, and on the go.

And in the times we work and wait for . . . gas ranges, gas refrigerators and the other gas appliances that go to make the complete home, will once again be available.

The CONSUMERS' GAS COMPANY

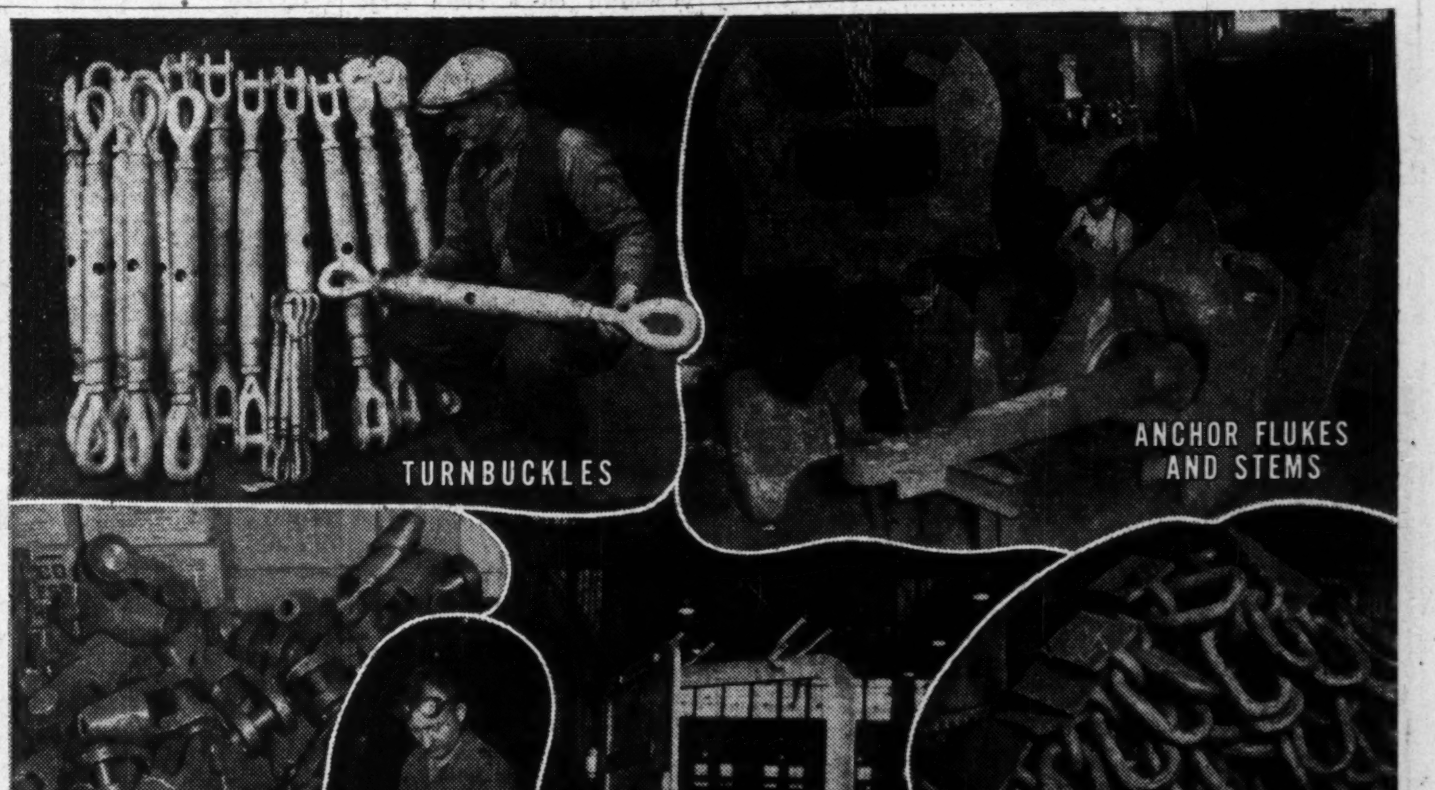
SPEED THE VICTORY

SAVE NOW—
BUY BETTER
-AFTER THE WAR



THE PURCHASE OF VICTORY BONDS
AND WAR SAVINGS CERTIFICATES
HELPS STAVE OFF INFLATION NOW
—AND A SLUMP LATER

CONTRIBUTED IN SUPPORT OF THE FIFTH VICTORY LOAN CAMPAIGN BY
ALUMINUM COMPANY OF CANADA, LIMITED
A FULLY OWNED SUBSIDIARY OF
MONTREAL



PRODUCTS GO TO SEA..

ON THE JOB FOR CANADA'S NAVAL AND MERCHANT SHIPBUILDING

Products of Vulcan's Winnipeg Plant Supplied to Maritime Provinces, Eastern Canada and West Coast Shipbuilders include the following:

- DERRICK POSTS and BOOMS
- WATERTIGHT and NON-WATER-TIGHT BULKHEAD DOORS
- ANCHORS
- BOOM STEPS
- SHACKLES
- TURNBUCKLES
- ROPE SOCKETS
- LINK PLATES

The above Material for Corvettes, Algerines, 4,700 ton and 10,000 ton Freighters

Electricity

The Sparkplug of Industry

Power Production is Yardstick of Our War Effort

Canada's industrial war effort has been "sparked" by the power industry.

When the Dominion speaks of having increased production of aluminum twelvefold; its great growth in aircraft and shipbuilding construction; clothing and equipping the armed forces; the manufacture of guns, explosives and ammunition and the thousand and one other items needed in modern warfare, the record of accomplishment should end with the phrase "thanks to the power industry."

It is literally true that what Canada has accomplished industrially in this war would not have been possible without the aid of scores of central electric stations in various parts of the country, and especially in the highly industrialized areas of Ontario and Quebec.

Yardstick of Growth

What the country has done in this war can be judged by the yardstick of power production.

This year the Dominion will use around 35 billion kilowatt hours of primary electric energy.

It is not only the largest amount of energy ever used, but is almost double that reported in 1939.

Doubling of production does not seem to denote unusual growth, considering the percentage gains recorded in certain branches of war activities.

Yet translate consumption figures into goods and an entirely different story is presented.

If it were possible to funnel all the power estimated to be used in Canada this year into the manufacture of aluminum, Canada would be able to produce 1.75 million tons.

This would be sufficient to provide all the aluminum needs of the United Nations for the manufacture of aircraft for several years at the present rate of production.

Look at this achievement of the power industry in another way. Domestic consumption of electricity in Manitoba homes is higher than in any other province.

This year the industry will produce enough primary power for use in Canada to supply the needs of seven million homes consuming electricity at the same rate as those in Manitoba.

From the manufacture of aluminum for use in aircraft, down to putting a button on a soldier's uniform, the power industry has supplied the necessary energy.

It has made possible the vast, complicated and highly efficient communication system of this country, for the urban and interurban transport system to move hundreds of thousands of workers to and from their work every day.

This has been no mean task; yet it has been met promptly and fully despite the tremendous strain placed on all productive facilities. It is a strain, while applying particularly to Ontario and Quebec, which has been experienced in every province, as the records show:

Net Consumption Firm Power

	—August— 1943	1939
P. E. I.	795	509
N. S.	49,230	36,583
N. B.	44,869	32,200
Que.	1,559,202	591,654
Ont.	952,667	674,061
Man.	92,769	74,355
Sask.	53,857	41,617
Alta.	42,736	22,112
B. C.	218,798	166,426
Total	3,014,923	1,639,517

When final results are totalled, it will be found that most of the credit for Canada's enormous industrial expansion for war will be due the power industry. In 1943 the Dominion will have used 35 billion kilowatt hours of primary energy which kept the aluminum industry roaring at full blast, aircraft rolling off assembly lines and tools in the hands of our soldiers.

Right now it is pondering postwar problems of how to re-allocate electrical energy from purely war requirements. Although much may be absorbed in normal operations by the pulp and paper industry, in the electrification of rural areas and extension of domestic household uses, best bet will be in the electro-chemical and electro-metallurgical fields, both of which are among the heaviest industrial users of power.

Ability of the industry to meet these demands has been due to two groups of factors.

First, was the elimination of non-essential use of energy; limited street lighting; elimination of electric hot water boilers; use of power for steam raising purposes; staggering of hours in certain types of industry, notably pulp and paper and, as a temporary measure, diversion of blocks of power from the newsprint to the aluminum industry.

More important than regulations and controls, however, has been the work done by the industry itself to meet extraordinary demands made upon its services.

There were the technical improvements in transmission; refinements in equipment; building of additional storage dams; extensions to plants; new construction; and the creation of a "grid" system in Quebec.

Centre of Effort

What the power industry has done in this war can best be seen by what has been accomplished in Quebec and Ontario. Other provinces had their problems too, but whatever they were, they were duplicated on a much larger scale in the two central provinces.

When war broke out, the power supply in Canada was more than ample. The industry considered itself in an especially happy position. That was before the downfall of France. Then the whole picture changed.

War began on an all-out basis. Huge industries were quickly set up. Established plants were greatly enlarged. The aluminum and metal refining industry began to expand at an amazing rate.

The huge surplus of power with which Canada entered the war melted away.

One Main Objective

From the outset and even up to today, aim of the industry has been primarily directed to one end—meeting the needs of the aluminum industry for power. All regulations have been designed to that end.

Manufacture of aluminum requires huge blocks of power.

The great Arvida plant, for example, probably uses as much power as the cities of Toronto and Montreal combined, with a half dozen fair-sized cities thrown in for good measure.

When Canada commenced to expand production of aluminum, steps were quickly taken to coordinate supplies of energy in Quebec, and in a measure Ontario, so that as additional potrooms came into operation, the necessary power would be available.

It is the proud record and boast of the power industry that aluminum production has never faltered because of lack of power.

Co-ordinate Resources

This required the building of new high-tension transmission lines, the linking of the power systems of the Saguenay, the St. Maurice Valley and the St. Lawrence River by means of a grid system into the largest power pool in the world.

Initially this pool brought together 3 million h.p. of hydro electric energy. By the end of this year there will be close to 4 million h.p. in it.

Add to Plant

Coincident with the setting-up of the grid system, plans were quickly prepared for the development of the Shipshaw site on the Saguenay River. First of the units came into operation early in the year. By the end of 1943, it is expected all units will be in place and the plant equipped to produce over a million h.p.

Under the same priority equipment was ordered for an additional unit for the St. Maurice Power plant at La Tuque and also in the Rapide Blanc plant of the Shawinigan Water & Power Co. on the same river.

In addition, a hundred and one plants were hastily erected to manufacture munitions, explosives, armament and ships. Peacetime plants were greatly expanded to meet wartime needs. Tramway systems needed more power to handle the record volume of traffic. The homes of the tens of thousands of new workers had to be lighted.

Ontario Hydro diverted more power at Niagara. It anticipated deliveries under terms of contracts with Quebec power companies. It built new plants; it added to equipment.

All across the country power companies were called upon to meet the new and extraordinary set of conditions which the war brought on. Despite the hugeness of the demand, no essential service suffered from lack of electric energy.

Nearing the Peak

At this stage the power industry is nearly over the "hump." War production, except for aluminum, has about reached a peak. Deliveries of electric energy to the pulp and paper industry were restored in full some months ago. Restrictions on commercial use will continue.

On balance the power supply has improved to such an extent that all additional wartime power needs can be met, though, and depending upon water conditions, it is just possible there may be a small temporary shortage in Quebec this winter.

There is no reserve of generating capacity. Additional potrooms are being set up by the aluminum industry. Other war industries are still expanding. New sources of supply scheduled to come in between now and the end of the year, are bespoken.

After this winter it is believed the power industry will be able to relax, knowing that it has not failed to meet the responsibility imposed on it by wartime conditions.

What happens after "V" day?

Well over two million h.p. of electrical energy in Quebec-Ontario will have been diverted to war use by the end of this year. Re-allocation of this huge supply of energy after the war is one of the stiffest problems faced by any Canadian industry.

As far as the Saguenay is concerned, the new power capacity for war service could be closed down without monetary loss, owing to the type of contract made with the British and American Governments which financed the developments. Elsewhere the problem is one very much on the minds of the operators.

Restoration of Markets

Restoration of normal services to domestic and commercial users will hardly make a dent in the surplus arising from the shutdown of war industries.

On the other hand, resumption of normal operation in the pulp and paper industry will provide a market for as much as 200,000 h.p.

It is not certain that the aluminum industry will continue all-out after the war. The huge Arvida plant could produce enough aluminum in one month to supply the greater part of the world's peacetime needs for a long time.

Rural Electrification

Several suggestions for relief of the power industry have been advanced, in particular, rural electrification. Extension of rural services undoubtedly would result in valuable social benefits. On the other hand, its value has been greatly exaggerated or misunderstood.

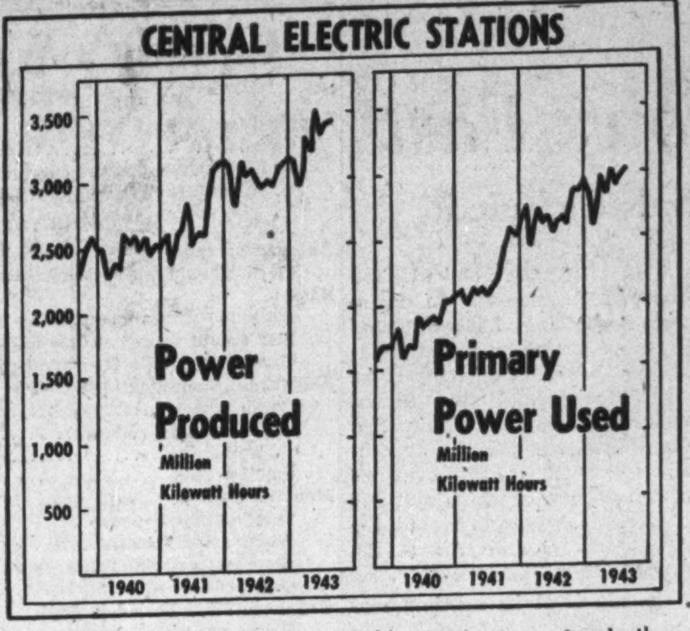
Obviously this is a field of service which can be developed by the electrical utilities.

But what does it mean to the operator? How much power can be sold?

There are many farms in Quebec and Ontario so located that it is impossible to provide them with electrical service. But assuming it were possible to electrify every farm and that consumption of energy for each customer were the same as is now used by farm customers, the complete rural electrification of Quebec would require only 44,788 h.p.

To bring this power load into proper perspective, it need only be mentioned that a single gener-

(Continued on page 28)



Central electric stations energy sold as primary power is the prime power for war and other industry.

Serving Canada since before Confederation

1866 1943

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

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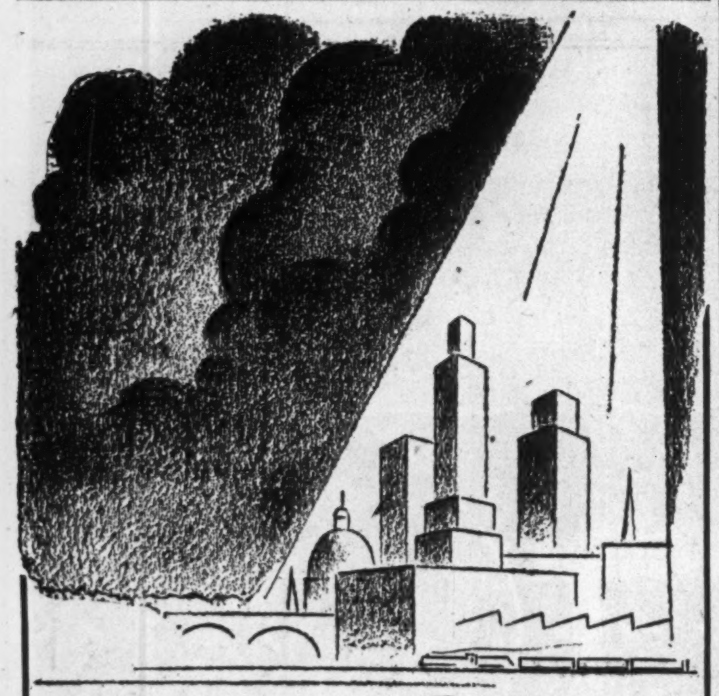
G. HAROLD BURLAND, Sec.-Treas.

Speed the Victory — Buy Victory Loan Bonds

You'll like them—
"EXPORT"
CIGARETTES
—everybody does.



For the Sunshine of Peace

● Under the storms of war, a new world is growing, budding, preparing to burst into bloom. No one knows the colour and shape of that new world . . .

Royal, busy now with making precision parts for instruments of war, is looking forward to the time when its research laboratory and experimental workshop can concentrate on developing the Typewriter of Tomorrow.

Before the war, Royal pioneered for the comfort, accuracy and speed of all who type. It presented them with the Magic Margin, Hinged Top, Antiglare Finish, Touch Control, Finger Comfort Keys, Locked Bobless Shift. When the present emergency is over, Royal can be relied upon to surpass its previous innovations with a machine worthy of a new and better world.

In the meantime, you can secure expert service to assure the sustained efficiency of your present Royals by calling us or your nearest authorized Royal dealer.

ROYAL TYPEWRITER COMPANY LIMITED

Head Office and Factory:
7035 PARK AVENUE MONTREAL

Authorized Royal Dealers in principal cities across Canada

Speed the Victory
BUY VICTORY LOAN BONDS
165A

HIS LIFE IS IN OUR HANDS

TWENTY seconds to go . . . then the shooting starts ! Whether he does his job and comes through alive depends on how fast the ground forces can blaze an invasion path to his side. And *that* depends on the weight of tanks and guns and planes put in their hands by *our* purchases of Victory Bonds.

Soon he'll know how well we have backed him up . . . or how badly we have failed !

His life is in our hands !

CRANE
AND ITS SUBSIDIARIES

SPEED THE VICTORY — BUY MORE BONDS

Highway Bus Lines

War Causes Trade Changes

Industry Anticipating Postwar Tourist Boom

Canadian inter-city bus lines, surmounting conservation measures which have curtailed equipment, supply and manning of their service, are carrying 56% more passengers than before the war.

Surrendering for the time being some of their attainments in the long-haul field, highway passenger carriers have shouldered a man-size part of the superimposed traffic load between "Munitionsville," or "Servicetown," and "Metropolis"; have contributed greatly to the mobility and conservation which are helping win Canada's home front war.

And, as the wings, keels and wheels of Transport speed production for victory, bus and truck operators are setting about creation of a powerful national council of "highway users" and contributive industries as one means by which they hope to secure a greater future for rubber-on-road free-wheel transportation.

Canada's outlying munitions and military centres have had to rely on short-haul passenger transportation and have imposed a great burden on inter-urban bus lines. This has meant for the operating companies a far-reaching transition, expediency and the Government both having had a hand in transit control.

Right now the industry wants equipment and parts, is short of skilled mechanics, and may yet train women drivers to fill the gap.

Facing with some concern the financial aspects of postwar rehabilitation, operators foresee highway and tourist expansion, new-age buses and possibly even helicopter-buses.

Call for Equipment

Carrying this year an estimated 53 million revenue passangers, as against less than 34 million in 1938, the inter-urban motor coaches also are metering substantially higher mileages in consequence of new routes which offset Transit Control restrictions on long-haul business.

Increased load is one problem and manpower another, but chief bottleneck at the moment is equipment; to induce Ottawa to lift the lid a little on vehicle manufacture and improve availability of replacement parts, truck and bus operators are at present making representations through the Canadian Automotive Transportation Association and the Dominion Motor Coach Association.

Purchases in wartime have been substantial, to help meet the 56% load gain; but skimped maintenance has resulted in much equipment being irretrievably on the skids through enforced neglect. Operators tell The Financial Post they can't free their vehicles often enough or long enough at a time to permit adequate repair. They say, moreover, that even if load demand were not so great they still could not get sufficient parts or help.

Perhaps the most striking load-gain in the industry has been experienced by Provincial Transport Co., Montreal, and its subsidiary, Colonial Coach Lines Ltd., Ottawa, operating in Quebec and eastern Ontario. But increase on all other lines has been heavy also.

Provincial Transport reports for its two inter-urban services 7.8 million passengers in 1942 as against 2.3 millions in 1939, or a jump of about 235%.

Gray Coach Lines Ltd., Toronto Transportation Commission subsidiary operating in central Ontario, reports 8.7 million passengers in 1942 as against something over 4.7 millions, an increase of about 85%.

Vancouver Island Coach Lines Ltd., operating on the big sea-girt territory which hugs Canada's lower west coast, contributes a one-month comparison which tells a similar story — last July that company carried 103,703 passengers, as against 27,319 in July of 1939, or a gain of nearly 280%.

Pyramided load, however, is only the most obvious of wartime changes in inter-urban bus services.

Elimination for the time being of the long-haul passenger, who is being carried mostly on rails, has progressed far enough to change the bus ratios of passengers per mile and revenue per passenger.

Increase in riding has brought most bus lines in Canada up to one revenue passenger a mile instead of one for each two or three miles, The Post is informed.

A drop in revenue per passenger, says the same source, is best illustrated by the figure of 17c. reported by Canada Coach Lines, Hamilton.

These trends and a vivid demonstration of load increase appear in the accompanying panel.

New Short Hauls

The munitions plants and military establishments, that have been set up by the score at locations without suitable rail or other passenger service, have furnished much of the wartime load and most of the new routes of Canadian inter-urban bus lines.

Greatest opportunities for new service to war workers arose at first, of course, in regions with low automobile registration, but the swing to new short routes becomes more general with the inauguration of Transit Control, cessation of automobile manufacture, tighter allocation of rubber and gasoline.

This was not accomplished, however, without suspension of many routes having alternative means of transportation; on the contrary, such route suspension has been general, both voluntarily and under Transit Control order.

The Financial Post selects Provincial Transport Co. experience as illustrative. By the end of 1941, The Post is told, that company had suspended 18 such inter-urban routes, had eliminated sightseeing services and was contracting for only such charter service as was directly connected with the war effort. By December, 1942, some 15 more inter-urban services were suspended and services on other routes substantially curtailed.

Vehicles released were either routed to war plants or added to fleets running on other essential routes, including city services at Sherbrooke, Que., and Kingston, Ont., operated by Provincial Transport subsidiaries (Kingston City Coach Co., Sherbrooke City Transit).

Stretching Equipment

Bus and truck manufacture for civilian use was not suspended in the U. S. until July, 1942, but Canadian operators' orders had been curbed by Canada's foreign exchange control. Nevertheless, and despite rigid screening of requirements in Canada since 1940 by the Vehicles Controller, it is only for about the space of a single year that new equipment has not been available.

Provincial Transport's purchase record is indicative rather than unique; in 1940 that firm acquired 17 new buses, another 23 in 1941 and a final 13 last year.

But the multiplied loads and deferred maintenance, coupled with non-availability of new machines this year, have given rise to an equipment situation of increasing gravity, Canadian operators state.

Buses slated for retirement in 1939, and many an ancient vehicle retrieved in the emergency, have been kept on the road and may have to be kept going indefinitely. This job isn't helped by shortage of skilled mechanics and other repair shop help, nor by difficulty in getting sufficient maintenance parts.

Acquisition or improvisation of tools for salvaging and remachining used parts has to some extent compensated for the shortage of new parts.

It is in the garages rather than on the road that the common manpower shortage has hit bus lines hardest, but it is said drivers are becoming more of a problem every week and women soon may be trained for bus and truck driving on the highways just as they are already handling street cars and city buses with considerable distinction.

Following release last November of a Transit Control order restricting bus travellers to a 50-mile limit, some criticism arose in the industry and the Controller named an Inter-urban Bus Advisory Committee which is still studying the question. The restriction has been but little modified as yet (The Financial Post, July 31).

Fiscal Planning

Discussing fiscal reserves against equipment rehabilitation and route re-establishment, together with the prospect for rates and revenues, one leading operator has this to say:

"While conservatively managed properties will have hoarded every allowable dollar of depreciation for equipment replacement programs, present tax laws allow no provision for the heavy expense which will have to be faced for rehabilitation of units not fully depreciated but which will be sadly in need of complete overhaul.

"Furthermore, no allowable provision can be made for the expensive re-establishment of suspended routes.

"Many prominent operators feel that effort may be made to retain the new status quo.

"Like most utilities, our industry would suffer heavily if inflation occurred, as our rates are regulated and our product still is being sold at pre-war prices.

"Like all businesses we must anticipate the time when revenues will decrease much more rapidly than will the cost of doing business."

Things to Come

Making no secret of its ambitious plans for the future, the inter-urban bus industry foresees and welcomes substantial highway expansion after the war and expects to play a notable part in development of the tourist potential. With better roads and vehicles it hopes to offer efficient commercial competition and also to meet successfully the onslaught of the expected cheaper and improved automobile.

Canada's Victory Furnaces

GAS Puts Them to Work

MANY of the great furnaces and machines now at work on Canada's war production would lie idle if it were not for—GAS.

In countless ways, GAS is needed in the forging of weapons and equipment needed urgently for Victory. Efficient, economical, dependable, it has proven in peacetime its adaptability and value.

Industry has always used GAS for a myriad of purposes. NOW, it needs this clean, efficient fuel in enormous quantities.

And to keep the wheels of war production turning . . . to back up our fighting men and "Speed the Victory" . . . Canada needs your *dollars*.

Put your savings . . . your earning power . . . to work NOW, by buying Victory Bonds to the limit of your ability.

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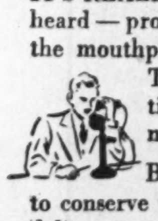
1/2 inch from the mouthpiece, please!

Do people you talk to on the telephone say, "I can't hear you!"? Our repairmen report that the most frequent causes of complaint about not being heard may be traced to failure to use the telephone properly.

IT'S REALLY NO PROBLEM to make yourself clearly heard — provided you remember to speak directly *into* the mouthpiece with your lips half-an-inch *from* it.



Then you can speak in ordinary conversational tones and the other party will have no trouble hearing you.

By observing this rule, you will also help to conserve the time of telephone service men. The delicate mechanism inside the transmitter is adjusted to operate most efficiently at this half-inch distance.*

*RESEARCH reveals that transmission results are only one-quarter as good when the lips are one inch (instead of half-an-inch) from the mouthpiece. Every additional half-inch has the effect of adding hundreds of miles to the talking circuit.

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. . . it's

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Urban Transit

Canada's "War of Movement"

Load Soars While Equipment and Personnel Shrink

Co-operation of business and the public in levelling of traffic peaks by staggered hours is seen by urban transit management as biggest reward to date of a concerted public relations program.

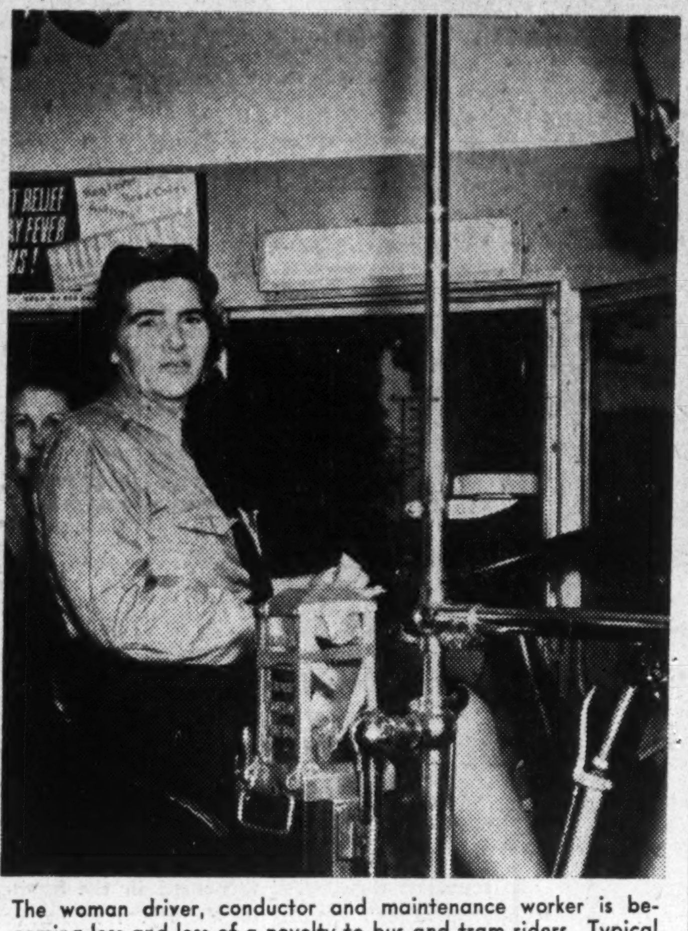
Its own best wartime expedient is full utilization of equipment, by means of skip stops, short turns, seat rearrangement, etc.; another is heavy recruitment of women in running trades.

These and other measures make a vigorous parade against a background of pyramiding load, shortages of vehicles and supplies, diminished labor forces.

Even in normal times it has been said there is never a dull moment in the transportation business; in wartime if it isn't one difficulty it is two.

And city transit systems have won widely expressed praise for a masterful trouble-busting job; new public recognition that they represent a surprisingly important element of the nation's transport machinery, a vital component of war production.

The main wartime problems and expedients, as seen by The Financial Post in several key cities, are dealt with in following paragraphs—over-all load a good deal more than doubled, shortages of vehicles and parts, shrunken and weakened forces, with the relieving developments of co-operative staggering in hours of passenger employment, large scale recruitment of women, skilful utilization of equipment and manpower.



The woman driver, conductor and maintenance worker is becoming less and less of a novelty to bus and tram riders. Typical of the women who are fast replacing men in this essential work is the bus driver pictured here who, her husband overseas, fills in for him on a T.T.C. bus in Toronto.

Load Nears Peak

Movement of the heavy load of munition workers has, of course, been the main problem.

In the face of serious deficiency of equipment and manpower, urban street cars and buses are bulging with an over-all load increase estimated at around 131% over 1938—one 1943 estimate of total revenue passengers on all urban transit systems in Canada gives a figure for the year of over 1.5 billion, against the recorded total of 682 millions in 1938.

Obviously this has meant swollen revenues, operational profits and reserves for deferred maintenance, despite limiting factors such as increasing costs and taxation.

Some of the smaller but strategic centres, like Sarnia and Edmonton, are only now coming into their full traffic greatness. At others — Vancouver, Halifax, Montreal, Toronto, Ottawa, Windsor—a declining rate of gain indicates nearness of peak.

Sarnia traffic, swelled chiefly by construction and manning of the Government's Polymer Corp. synthetic rubber plant, has shown the most sensational of recent increases. As against an indicated over-all gain—all systems, whole year — of about 35% over 1942 loading, Sarnia's figures for Jan. 1 to June 30, 1943, reveal a 148% increase over the first half of 1942, while Ottawa's gain in the same comparison is put at 38%, Toronto's at 21% and Montreal's at 17%.

The Busy West

At Edmonton, U. S. Army concentration point and continental gateway to new land and air routes to Alaska, the city-owned street railway is packing them into trams and buses in a marked traffic upsurge since last November. Nine-month figure for this year is well over 22 million passengers, as against under 15 million for nine months in 1942. Edmonton's 1938 total was very little more than 14 million passengers. Edmonton operates 75 street cars, 12 trolley buses (12 more ordered) and 10 Diesel and gasoline buses.

At Vancouver and Victoria last year, B. C. Electric Co's cars and buses carried about 100 million passengers, against 71 millions in 1938.

Winnipeg Electric Co's 215 cars, 159 gasoline buses and 22 trolley buses handled in nine months this year just under 54 million fare passengers with a comparable figure for 1942 just under 44 millions. For the whole of last year the Winnipeg load was just under 67 millions as against less than 45 million passengers in 1939.

Eastern Fortress

At Halifax, Nova Scotia Light & Power Co's street car system this year will carry over 27 million revenue passengers, as against over 24 millions in 1942 and around nine millions in 1938; the 300% load gain in wartime is Canada's largest. The Halifax system's equipment increase — from 59 cars when war broke out to 82 at present, or about 50%—also is Canada's largest.

New Brunswick Power Co.'s cars and buses at Saint John chalked up over 11 million tallies in 1942 as against something more than six millions in 1938.

"Arsenal" Mid-region

Greatest mass in the transit load picture inevitably appears in the central region.

Montreal and Toronto experience fairly represents that of more than a dozen smaller central communities.

Montreal Tramway's 993 street cars, 342 gasoline buses and seven trolley buses had a 1942 payload of well above 319 million passengers, as against not many more than 208 millions in 1938. D. E. Blair, vice-president and general manager, tells The Post the system now is carrying 300,000 more people daily than just prior to the war.

Toronto Transportation Commission's 1,083 trams and 254 buses are carrying an estimated 1943 total of 275 million passengers as against 151 million in 1938, 154 in 1939, about 168 in 1940, nearly 194 in 1941, and 239 millions last year.

Quebec City and Hull gained in proportion. Quebec Railway, Light & Power Co.'s cars and buses carried nearly 29 millions last year against something over 16 millions in 1938, while Hull Electric Co. moved toward a six million passenger annual level from under three millions in the pre-war year.

London and Windsor, operating with buses exclusively, have their share of growing loads and, of course, more than a small share in the gasoline and rubber headache. Sandwich, Windsor & Amherstburg Railway Co.'s 146 vehicles loaded 23 million fares last year as against a tram and bus total in 1938 of under nine millions.

Operating in two other all-bus cities—in Ontario the Kingston City Coach Co., and Quebec, Sherbrooke City Transit—Provincial Transport Co., Montreal, recorded for these cities jointly a load increase of 150% between 1939-42 and a mileage gain of 59%, necessitating a 75% increase in vehicle fleets. Fare and transfer passengers numbered 5.7 millions in 1942 against 2.3 millions in 1939; mileage was 995,000 in 1942 against 625,000 in 1939; vehicles numbered 35 in 1942 against 20 in 1939.

Gain in London Street Railway Co.'s load was from under nine million passengers in 1938 to nearly 15 millions last year. Manager and Secretary-treasurer L. Tait tells The Post the system now is carrying 65,000 daily; carried 75,000 daily at last winter's peak.

Hamilton and Ottawa

Hamilton Street Railway Co.'s gain was from under 16 millions in 1938 to nearly 30 million passengers last year. General Manager George E. Waller says Hamilton has suffered severe deficiency in cars and buses since its sudden industrial expansion following so closely on a severe depression; points out Hamilton's population has gained more than 30% in wartime and that the transit problem is aggravated by the shape and traffic distribution of the city—it is more than 7 miles long by 2½ wide, and 22,000 of an industrial population of 55,000 work in the northeast square mile's heavy industry concentration.

Operating at the administrative hub of the nation, Ottawa Electic Co.'s cars and buses had more than doubled their load even before 1943 gains strained capacity; revenue passengers at the capital numbered nearly 43 millions last year as against under 21 millions in 1938.

New Tricks of Trade

A trial for the compressed or waiting passenger but an even stiffer test for system management, this crowding of urban trams and buses since full employment came on the heels of total war, has not been done with mirrors.

Only by an impressive degree of organization and new brands of efficiency and community cooperation have urban transit operators contrived to meet skyrocketing service demands coupled with increasingly critical shortages of equipment, supplies and manpower.

With 131% more passengers and substantially increased mileage, but only about 25% more vehicles, a miracle of equipment utlization emerges as transit's biggest single war contribution.

Staggered Hours

Early in 1942 the WPTB Transit Controller launched a simple, but at first not too popular, scheme for spreading out peak period loads. Vigorous promotion by transit operators and increasing co-operation on the part of business management and employees, have made "staggered hours" a marked success in Canada in wartime and a promising field for postwar study.

An extra to staggering of hours of employment has been willingness on the part of the shopping and visiting public—encouraged by advertising—to fit their movements into the between-peak period, 10 a.m. to 4 p.m. The main plan—hours of employment—has been brought into effect, of course, by direct negotation with management in major plants, stores, offices, educational institutions.

Avoided in Some Cities

Toronto is relying heavily on this expedient, with the TTC warning that all available equipment is in full use and present peak loads must be held. Staggering has boosted downtown peakload capacity 25%, the Commission states, pointing out that Toronto's 400 "downtown" acres produce 60-65% of the traffic total. Office workers and department store staffs chiefly are affected.

In the Montreal area 60,000 workers are affected by changed hours of employment under staggering, including a large proportion of store, office and school people. This, together with Tramway Co.'s advice to management on selection of shift times, routing, etc., have helped the peakload situation very materially, according to Vice-president D. E. Blair.

The idea has not taken hold at Hamilton, probably the only sizeable industrial city where it is not now applied in some degree. General Manager George Waller tells The Post staggering may yet be adopted if new buses and replacement parts are not made available.

Vancouver's Chief Aid

The device is Vancouver's chief support under the traffic load, according to B. C. Electric Railway Co. Staggering was applied somewhat later in Winnipeg and Edmonton but both cities report it distinctly helpful.

Like Hamilton, the Edmonton public is described as none too willing to change working hours.

Winnipeg Electric Co. moved last fall to arrange staggering of hours of 13,000 workers. With an average hourly load between 9 a.m. and 4 p.m. of 12,000 passengers, the Winnipeg system carries 28,000 between 7-8 a.m., a like number 8-9 and 38,000 between 5-6 p.m.

Staggering clearly has saved the situation in mushroomed Ottawa, where it was applied to Government employees' hours two years ago, and has been found beneficial at war swollen Halifax.

Bus cities—Windsor and London — report worthwhile results but as yet limited application.

Strain on transit equipment and personnel has been lessened by a dozen other expedients.

Skip stops, for example, have immeasurably improved service and made its provision easier. Montreal Tramways reports having discontinued one stop for every mile of the entire system, or 250 stops. B. C. Electric has reduced stops in Vancouver and Victoria by 25%. Toronto has applied the skip stop saving system extensively and to real advantage. Edmonton, Windsor, London, Hamilton, Halifax and other systems report use and benefits.

Short turn routes are another wartime expedient that may have application to peacetime peak loads. Shortened routing in several cities is securing more frequent trips per vehicle in peak areas and periods.

In Toronto 11 new car loops have been constructed since the war began, many of them providing for short turning, all relieving

(Continued on page 28)

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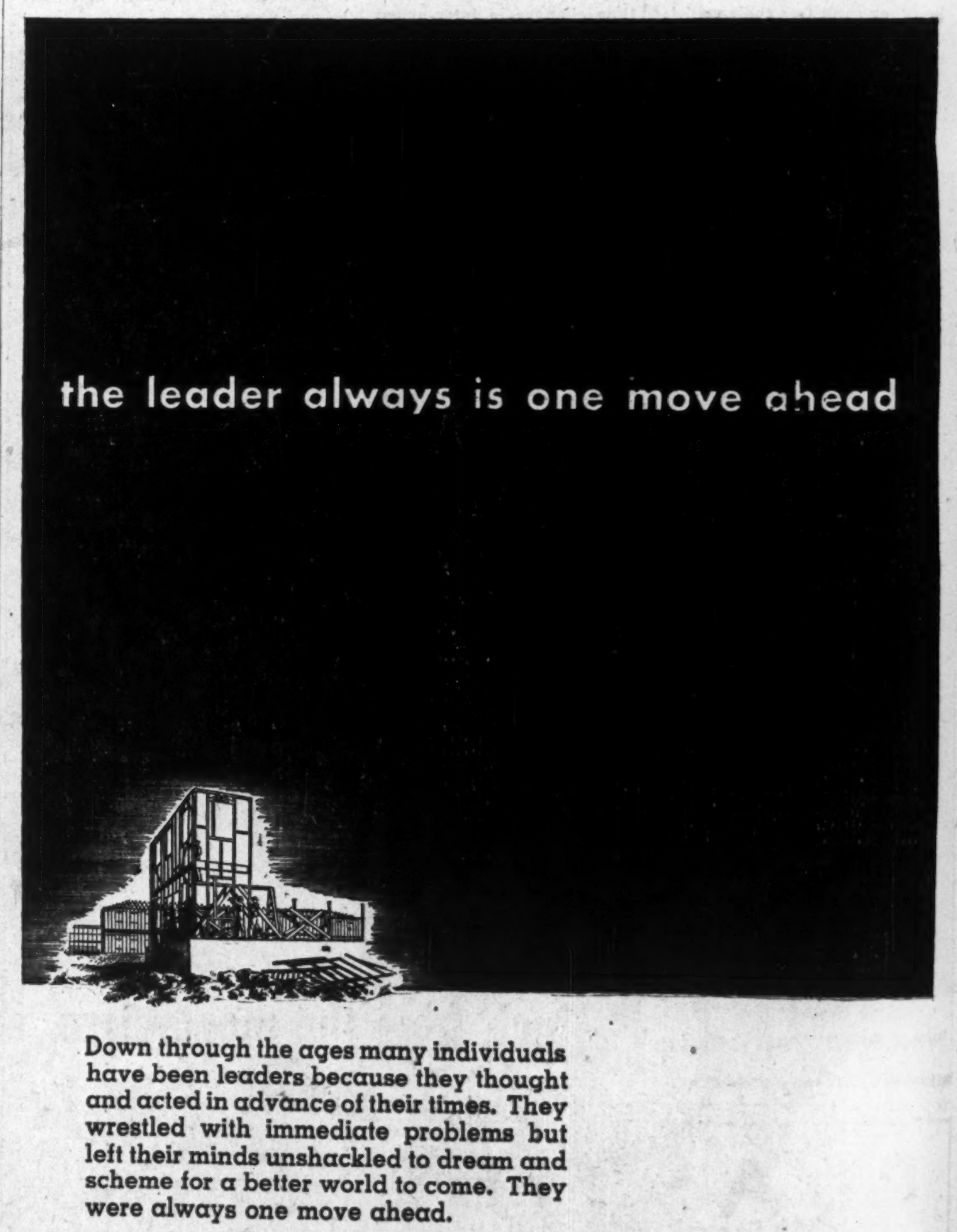

Down through the ages many individuals have been leaders because they thought and acted in advance of their times. They wrestled with immediate problems but left their minds unshackled to dream and scheme for a better world to come. They were always one move ahead.

Today, Truscon is in the vanguard of progressive thinking and post-war planning. While its plant is pouring forth a torrent of steel products to drown the Axis warlords, Truscon executives and engineers are thinking also of tomorrow. On their desks and planning boards now are the designs for steel products you will require for building after the war is won. Be a leader in your field by keeping one step ahead with Truscon.

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Air Transport

War Brings Great Growth

Passengers, Mail, Express All Move Ahead

With several United States air lines seeking rights to operate in Canada, with this country's own major air lines—Canadian Pacific Air Lines and Trans-Canada Air Lines — planning added services after the war, it is clear that Canada's air transport system is going to grow.

It has already made great progress with two major integrated air-line systems reaching all sections of the country. Wartime gains through airfield construction, navigation aids and progress in trained personnel have laid the foundation for continued growth to come.

This year, the latest stage toward Canada's air transport maturity was taken when the TCA began operating for the Canadian government a wartime transatlantic air service. In July, TCA started carrying tons of mail for the troops overseas, other important cargos and passengers on official business.

This service is not on a commercial basis as yet and carries no fare-paying passengers. TCA has long been associated with transatlantic flying, its crews surveying and flying the route for some time before the government service began. For the past two years TCA has also had ground crews engaged in maintenance and overhaul of aircraft used in British Overseas Airways Corp. Atlantic Return Ferry Service.

This is in reality a postwar feature for Canadian civil aviation but one for which valuable training and experience is being gained right now.

Figures made available to The Financial Post recently indicate the extent to which air traffic—passengers, mail and express—has risen.

For example, TCA carried 78,215 revenue passengers from Jan. 1 to July 31 this year, compared with 57,090 in the corresponding period of 1942, a gain of 21,135.

Mail flown by TCA in the first seven months of 1943 totalled 2,048,774 lb., as compared with 1,057,066 lb., a year ago, an increase of just under a million pounds.

In express the gains were even more spectacular—406,206 lb., for seven months of 1943, against 141,157 lb. for the corresponding period of 1942, or a gain of 265,049 lb.

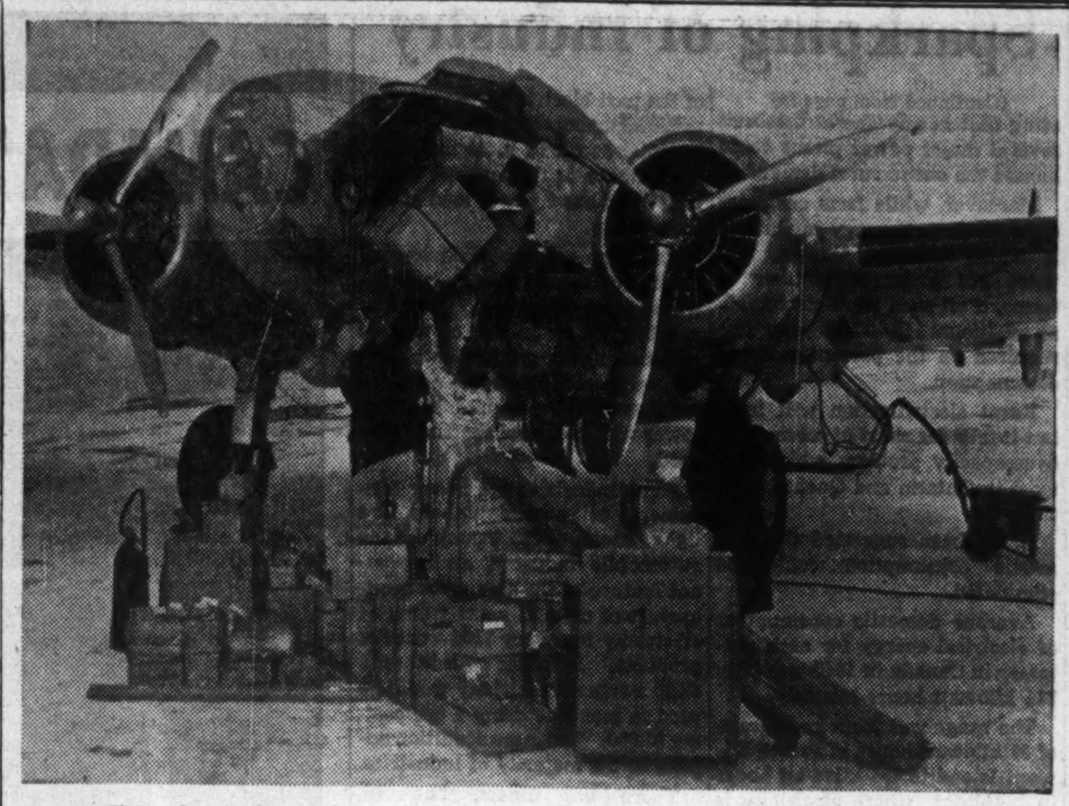
CPA Active

Canadian Pacific Air Lines does not operate the transcontinental routes such as those of TCA but it has the field of north-south traffic almost to itself, following its merger of all major independents a couple of years ago. Last year CPA carried 9.6 million pounds of freight; it operated 28,000 miles of air routes.

Canada's commercial air lines, like those of every other country, are handicapped by shortages of equipment. They would all like to get new and larger planes but war needs get first call on whatever is available.

One result of this condition has been establishment of a system of priorities whereby an ordinary traveller may find his journey interrupted, or be unable to secure a reservation, because some individuals considered more important to winning the war wanted his seat. It is a regular thing, moreover, for the passenger load of scheduled flights to be under capacity of seats because mail or express loads were too heavy. Some kinds of express and many kinds of mail come ahead of passengers these days.

In addition to their regular job of transporting passengers, mail and express or freight, Canada's air lines have been doing an important direct war job. They have undertaken the overhaul and repair of aircraft, supply crews for Atlantic Return Ferry Service. Their ability to get vital repair and replacement parts to war plants has more than once averted or shortened serious shutdowns. Both CPA and TCA have long been active in repair and overhaul of military aircraft, engines, propellers and instruments.



Flying freight for northern defense routes: a Canadian Pacific Airlines cargo plane about to take off from Edmonton to points in the far north. Last year such CPA planes carried nearly 10 million pounds of air cargo.

They have operated training schools under the British Commonwealth Air Training Plan.

Like other wartime services, the air lines have suffered shortages of help. In part this has been overcome by training women to do many jobs not before considered desirable. On TCA, for example, women now make up 34% of the total payroll; out of a total staff of 2,189, 745 are women. Women are working for TCA in its shops and in stores, as clerical help, radio operators, reservation agents, telephone and teletype operators, stewardesses, passenger agents, cargo staff and as counter clerks, etc. Biggest female staff is in the shops, followed by clerical help and telephone and teletype operators.

MORE PAY FOR AUSSIES

Pay of the Australian armed forces as from July 1, 1943, has been increased by additional active pay at the rate of sixpence (about 10c) per day for privates and certain other non-commissioned ranks who have completed six months' service and are proficient soldiers. This will involve £1.8 million a year. In March, 1943, deferred pay was granted to members of the women's services retroactive to December, 1941. Credits thus established approximate £750,000 a year.

Communications Meet Great Wartime Need

(Continued from page 22)

needed for the transmission of a single voice, an almost limitless multiplication of inter-city telephone circuits would seem possible. A cable has already been installed between Montreal and Ottawa and extension to Toronto is planned, if priority can be obtained for materials and equipment. The cable is designed for later installation of 20 12-channel carrier systems in addition to the regular wire circuits. Coaxial cable is also capable of accommodating the wide range of frequencies required for television transmission.

A tremendous strain has likewise been imposed upon the postal system by the shifting of population brought about by war. Not only have many men left home to join the armed forces, but many civilians have departed from their native localities. Increase in the use of the mails has also been considerable. In Canada, between 1938-39 and 1941-42 gross postal revenues increased 29% from $42.9 millions to $55.5 millions. A further increase is registered for the year just ended, but figures are not available.

Air Mail Increased 300%

Use of air mail service has increased in much greater proportion. Approximately 464,000 air mail letters are carried every day over Trans-Canada routes alone. Comparing February, 1941, with the same in 1943, there is an increase of about 300% in poundage carried, from 65,756 lb. to 259,446 lb.

The war has seen inaugurated a regular overseas air mail service which will undoubtedly be continued after the war. The need of communication with Britain, both for personal and official use, has been very great.

Almost as remarkable as the increase in use of air mail has been the means taken to conserve space and ensure efficient service. Principal one is use of airgraphs and air letters which have released large amounts of space for carrying military mail and at the same time helped to maintain rapid communication for civilians with friends overseas.

Saving space by sending mail by photograph, to be reproduced later in the familiar airgraph form, is enormous. Some 408,000 airgraph letters can be sent in the same space as 2,400 ordinary letters.

Use of air letters also saves space since one sheet of thin paper serves both as writing paper and envelope. Some 9,960 of these letters can be carried in the same space of 2,400 ordinary letters.

Outstanding development of the war has been the techniques developed to handle military mail, both official and personal. Apart from use of the two abbreviated air mail letters described above, the handling of mail, and sending of parcels and tobacco have imposed real problems. About 2.9 million parcels were sent to soldiers overseas in 1942, about twice the number in 1941. Some 4.6 million lb. of tobacco were sent over in 1942, nearly twice the quantity shipped in 1941. This has necessitated development of special parcels for shipment and special techniques for distribution.

Such needs are handled by the Canadian Postal Corps, which has been recruited largely from executives and postal personnel serving overseas and in Canada. Mail is dispatched overseas from a base post office in Canada, where it is directed and sealed for delivery, thus ensuring safe arrival. In spite of fire, theft, loss and sinkings, less than 3% of the parcels sent overseas have failed to arrive at their destination.

Faced with the need of increased staff and loss of regular employees through enlistments and other causes, the post office has likewise recruited its labor force from women. These had to be quickly trained for their jobs. Constant study has been necessary to solve the problem of how to handle efficiently the ever-rising volume of mail.

Not only has the war brought an increased volume of mail, but, in addition, the post office has undertaken to carry out a great variety of extra services. They have provided free mail from the armed forces overseas, to prisoners of war, undertaken the collection of books and rubber salvage, sold war savings stamps and certificates, and handled six different registrations, including national registration and registration for military service. Nor is this a complete list.

Utilities Up Wage Rates

Over a three-year period workers in the various utilities fields showed an increase in their weekly pay cheques ranging from the highest, registered by the construction and maintenance division, at $5.91, to the lowest increase, in the telegraph division, at $1.01.

Following is a table showing the comparative rates of increase during the term Sept. 1, 1941, Aug. 1, 1943:

	Aug. 1 1943 $	Aug. 1 1942 $	Sept. 1 1941 $
Transportation	35.54	34.38	32.82
Street Rly. & Cartage ...	32.98	30.91	29.10
Steam Rlys. .	38.30	37.32	36.36
Shipping & Stevedoring	30.63	30.40	27.73
Communications	28.99	27.56	27.37
Telegraphs ..	29.29	27.84	28.28
Telephones .	28.88	28.80	27.05
Electric Light & Power .	35.82	33.99	32.35
Construction & Mainten. ..	29.56	26.72	23.65
Highways ...	25.51	23.22	20.63
Railways ...	26.40	23.88	22.17

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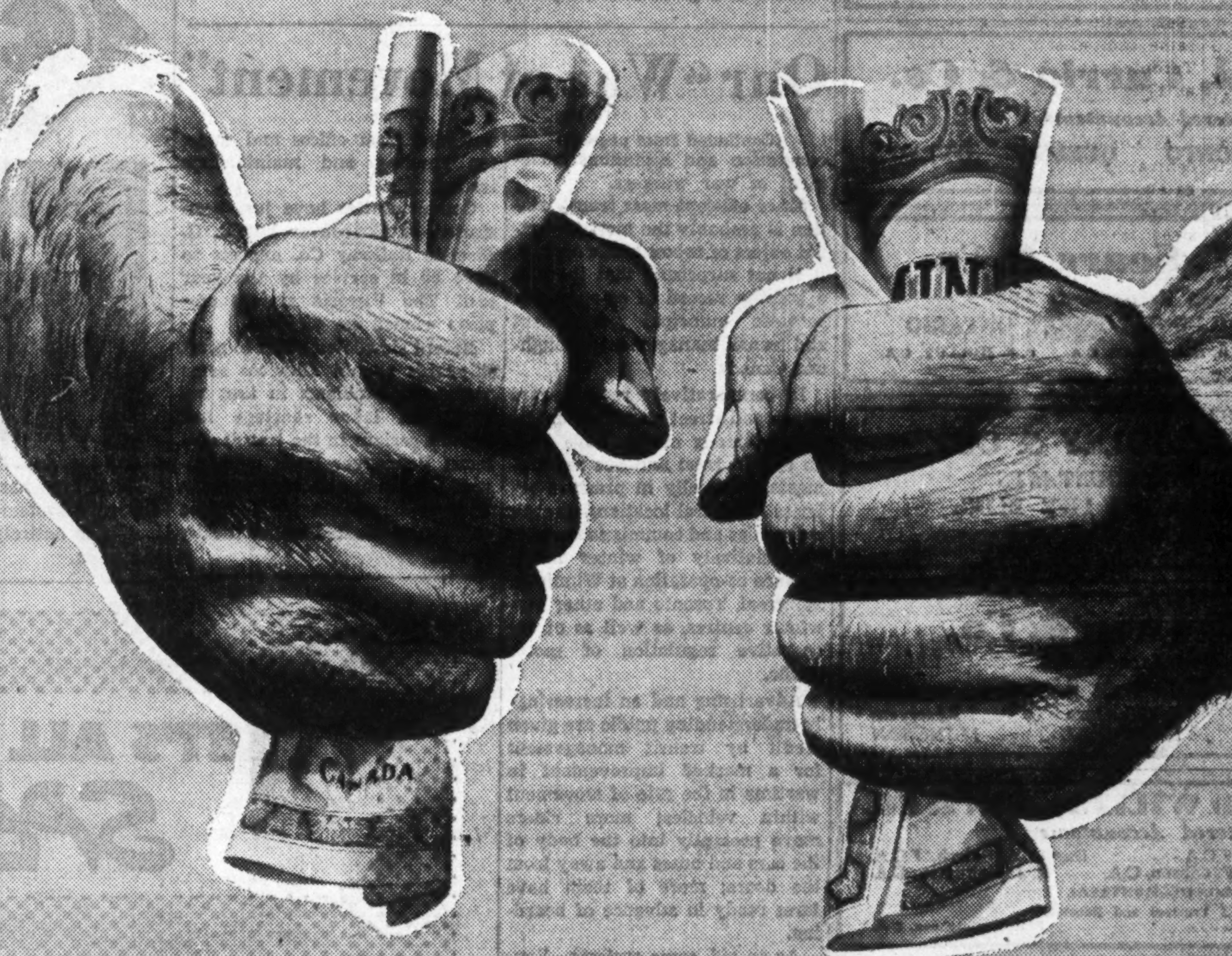
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Sparkplug of Industry

(Continued from page 24)
ating unit in any one of Quebec's several major power plants could handle the entire rural demand.

Moreover, while farm customer consumption of energy in Ontario is higher than in Quebec, and there are a larger number of farms, if all such were electrified, an additional 115,000 h.p. would be required on the present scale of consumption.

Rural electrification will help, but it falls far short of solving the overcapacity problem which will exist in Ontario and Quebec after the war.

It has been suggested that domestic consumption could be stimulated.

Average domestic consumption of electrical energy for each customer in Canada in 1940 was only 214 kilowatt hours monthly.

The range was from an average of 33 kilowatt hours in Prince Edward Island to 454 kilowatt hours in Manitoba, where electricity is used liberally for hot water heating, etc.

If the Dominion average were brought up to that of Manitoba the additional market would take up less than 140,000 h.p. of capacity or under 5% of the surplus power expected to be available when the war ends.

Another suggestion — domestic household heating with electricity —comes up whenever an area is burdened with an excess of power capacity.

The scheme is far from practical. The plain facts are that five million h.p. of capacity would be needed to heat the buildings and homes in a city the size of Montreal.

This is over half of all the power installed in Canada.

Hope of the power industry in Quebec and Ontario in placing its postwar surplus power depends upon the development of industry —not just industry "in general" but a very specialized part of industry.

There is a great misconception of the part electric power plays in manufacturing. It is very inconsequential as far as most industries are concerned; the average industrial plant has a power load of less than 25 h.p.

The apparent evolution toward electric power in industry is somewhat over-emphasized by the practice of installing motors at each machine or group of machines with a greater aggregate capacity than would be required if steam power with belts and shafting were used.

Some industries are heavy consumers of power. Others are light users. For example, the automobile industry, an important feature of the Canadian economy, uses only 22 cents worth of electricity for every $100 worth of products. In other words, only $2.20 worth of electricity would be used in manufacturing a car costing $1,000. The same condition applies to the majority of industries.

There are others, however, which tell a different story. The pulp and paper industry, in peacetime, is the biggest user of power in Canada. Some 11% of its total manufacturing expenses is for light and power. The non-ferrous smelting and refining industry records that 4.14% of its costs is for electricity. But the prize goes to the chemical industry, which reports that 12.6% of its expenses is for purchase of electricity.

It is in these three fields that the power industry in Quebec and Ontario must look for the major outlet of its postwar surplus power.

Beyond restoration of power suppl[illegible], the pulp and paper industry appears to have reached a peak of demand, at least temporarily. If the power companies in central Canada are not going to have a costly generator surplus capacity on their hands after the war, then it must look to the continued development of electrochemical and electro-metallurgical industries and associated with the former, the new plastics industry.

Our "War of Movement"

(Continued from page 26)
congestion and hastening movement of war workers.

Since efficient mass transportation is probably the most important object of urban traffic control, it is not surprising that there is a lengthy record of co-operation between muncipal government and transit management throughout Canada.

In comparatively recent years police and street cleaning departments, among others, have kept an eye on tram and bus requirements, especially in pressure arteries at central locations. Transit companies and commissions speak appreciatively of winter maintenance co-operation at Winnipeg, Montreal, Toronto and other big-winter centres, as well as of co-operative regulation of motor traffic.

Advertising and an increasingly understanding public are given credit by transit management for a marked improvement in wartime in the rate of movement within vehicles; more riders move promptly into the body of the cars and buses and away from the doors; more of them have fares ready in advance of boarding.

As an aid, some systems—Vancouver, Montreal, Toronto and others — have arranged for advanced sale of tickets at one or all of busy corners during rush hours, transit offices, store agencies or factories. At Vancouver and Toronto girl "guides" are handling this new job.

Seating re-arrangement in cars and buses has been widely used to increase accommodation for standees, in many cases without appreciable lessening of seating capacity. Striking space gains have been made in Windsor buses in this manner; several hundred cars at Montreal and many at Toronto have been so altered.

Share-the-ride organization of motorists under Transit Control guidance has been especially helpful at Hamilton and is being studied at Vancouver, among other places.

In transit the manpower problem has a womanpower solution.

Winnipeg Electric Co. has 20 women operating street cars, and the Toronto Transportation Commission is now training women for this exacting work. Both systems have many women doing other jobs ordinarily reserved to the male of the species, such as cleaning and other light maintenance in garages and shops.

TTC has over 100 women on its running and maintenance payroll, many of them relatives of 407 system employees in the armed forces. Many of them are driving buses, dispensing tickets and information at busy corners, and training as running crew. Another interesting TTC development is a 150-man labor pool volunteered from offices and shops for running and maintenance trades.

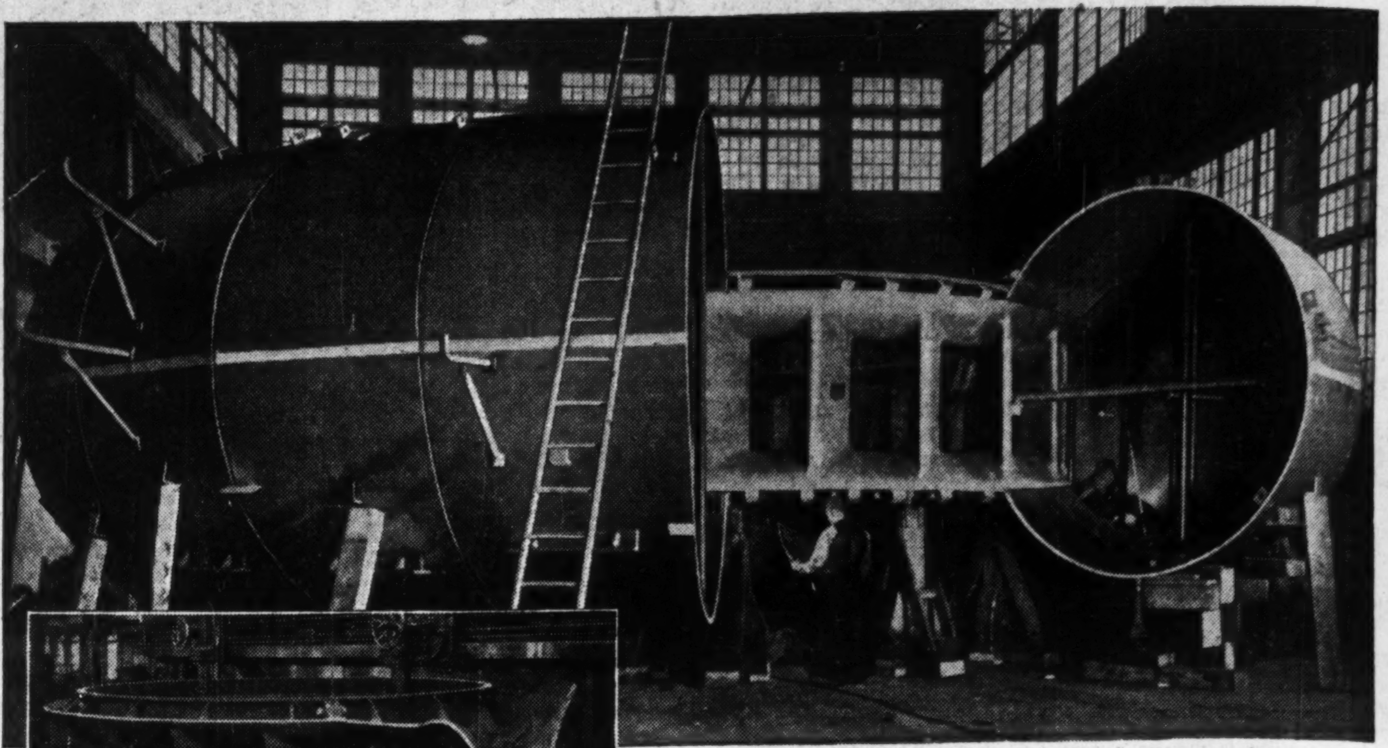
Conductorettes have just been started at Vancouver but B. C. Electric Railway Co. expects to have 50 in service by the year end. The Victoria system employs women car cleaners.

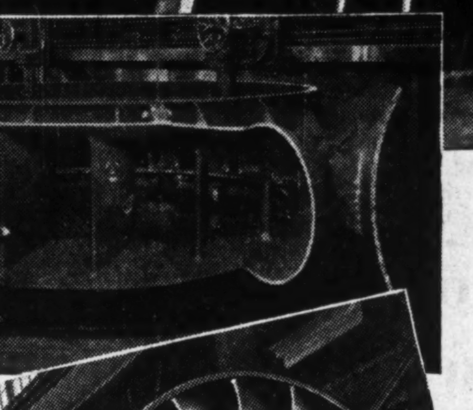
Recent slowdown order to coast shipyards should alleviate some manpower problems in that region, but labor shortage had become serious in the transit systems; Vancouver track maintenance force is at one-third strength with replacements for inducted and superannuated men critically scarce.

Edmonton has 24 conductorettes; the system for many years had been entirely a one-man-car operation.

Hamilton Street Railway Co's George Waller pays tribute to "energetic co-operation" of the local NSS office. He tells The Post that, due to opening of new crosstown bus routes and other service expansion, car and bus mileage has jumped 35% since the war began and 100 extra car and bus operators have had to be trained, including personnel replacements.

CANADA'S MOST POWERFUL TURBINES

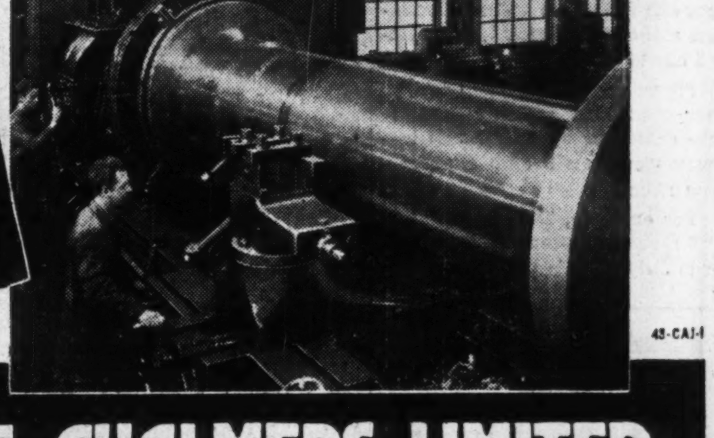




Canadian Allis-Chalmers Helps Produce Thousands More HP of Electricity for Nation's War Industry

For one great new Canadian hydro-electric development alone, Canadian Allis-Chalmers is building eight hydraulic turbines rated 90,000 hp. each to produce electric power for the Nation's war industry.

Illustrations show (1) The arc welding of one of eight 49′ 6″ dia. steel spiral casings for 90,000 hp. turbines (2) The machining of a 75 ton speed ring for 90,000 hp. turbine. (3) 35 ton cast steel runner and (4) The turning of a 35 ton 35″ diameter turbine shaft.



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LET'S ALL DO MORE TO WIN THE WAR AND
SPEED THE VICTORY

BEFORE THE WAR: *Gordon thought nothing of spending $100 on a hunting trip. He wouldn't have missed that trip for anything.*

TODAY: *Gordon has passed up his hunting trip — he is using that $100 to buy a Victory Bond. He figures that shooting Nazis is far more important than shooting deer.*

THE MORE WE'RE IN IT THE QUICKER WE'LL WIN IT!

Our boys overseas are fighting desperately to speed the victory . . . risking their lives to make *sure* of that victory. All that we are asked to do is to give up all unnecessary spending so that we can *lend* our money to buy planes, tanks, ships and guns. Canada is asking for $1,200,000,000. To turn our backs on that appeal simply means that we are turning our backs on our fighting men . . . men who are fighting so that we can still be *free* to lend our money! So let's speed the victory by buying Victory Bonds with every cent we have — and be thankful we're still free to do so!

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NB-9

Utilities Investments

"Muscle-Bound" by Taxes

Valued on Yield Basis, Not Capital Appreciation

Utility securities have not recorded marketwise the contribution the industry has made to the war effort, nor the great expansion in operations and dollar revenue which has taken place over the past four years.

There is a reason. The privately owned companies, in which the investing public has an interest running into several hundreds of millions of dollars, have, in effect, been caught in the tax vice.

On the one hand the Government has placed a ceiling on the charges a utility may make for its services.

On the other hand, the Government has imposed taxes on all corporations so that they cannot retain more than 70% of their 1936-1939 profit base.

For those corporations without an established earning power, the war effort has resulted in an improved financial position, both in respect to earnings and balance sheet position.

Utility companies, however, with established earnings during the base period, have found themselves in a position where they are able to retain barely sufficient profit to pay their dividend. In many cases the margin between dividend and earnings is exceedingly close.

No Speculative Interest

Speculative interest in the utilities has long since passed. Ever since the depression, utility securities have been regarded by the investor from the point of view of safety of income rather than for possible capital appreciation.

Lack of speculative interest, therefore, has caused utility securities to be valued upon a yield basis which in the past four years has brought about interesting results.

Disregarding conditions which developed in Quebec this month, a survey of values pertaining four years ago with those of today, provides evidence of the investor's new approach to utility securities.

For many years utility stocks sold at a premium in relation to other groups of securities on the market. By and large a return of more than 4% was out of the ordinary.

But the holding down of earnings through taxation has completely eliminated possibility of passing along to the shareholder any benefits arising from larger scale operations. This has forced a gradual lowering of utility security values.

Values which obtained in the middle of October, 1939, or immediately after outbreak of war, and those for the middle of this month, follow:

	Com. Stock Val. 1939 Oct. 16	1943 Oct. 12
	$	$
B. C. Power A ...	25	27
Calgary Power ...	72	50
Canada Northern .	15	9
Montreal Power ..	30¼	20½
N. S. Light	91	80
Quebec Power	16¾	14
Shawinigan	23	15½
Southern Canada .	12	11
Winnipeg Electric .	2½	6½
Bell Telephone ...	163½	156
Montreal Tram.* ..	63	25

* Went through capital organization, following failure to refinance maturing bonds owing to wartime conditions.

A casual glance will show that capital appreciation over the period has been negligible; on an average there has been a loss. All this despite the fact that utilities, individually and as an industry, have been doing a greater volume of business than ever before in their history.

Factors Influencing Market

Three factors bear on this state of affairs.

Obscurity of the postwar outlook causes the investor to realize that at the end of the war there will be a sharp contraction in power demand. This applies with particular force to those companies serving highly industrialized areas.

No company will escape the deflation caused by the end of the war, though some will be less affected than others. Those companies, however, in which there is widest investor interest are those most closely concerned with after war developments.

Problem Faces Quebec

Quebec Province is a good example of the problem facing the utilities after the war. For instance, in the power field the operators have made available a large block of energy for the manufacture of aluminum. Hundreds of thousands of horsepower are used in production of explosives, shell-filling, aircraft manufacture, shipbuilding, etc.

Quebec power employed in the war effort is estimated at better than 1½ million h.p., one million in the Saguenay area; 400,000 in the St. Maurice Valley; and the balance spread over Montreal and other sections.

Obviously, carrying such a large block of idle power in peacetime will prove a great strain on the utilities, especially as tax regulations have not permitted them to set up reserves to cushion the shock of postwar deflation.

The market has taken this condition into account. Whether or not it has been wholly discounted, no one can say at this point. All the investor can be certain of, is that the postwar adjustment period may be long drawn out and costly.

Big Tax Burden

The after-war period may not be so burdensome to the public utilities provided the Federal Government lightens the corporation tax burden. Even if such action is taken, it is difficult for the average investor to believe that the drop in taxation will offset the anticipated decline in operations and profits.

Second factor bearing upon utility values is the uncertainty in the mind of the investor as to whether the Government is going to the "right" or to the "left."

The question of public ownership has kept cropping up from time to time in recent years. With Government regimentation of business and its actual direct engagement in war business ventures, there is a feeling that further government in business is a definite possibility.

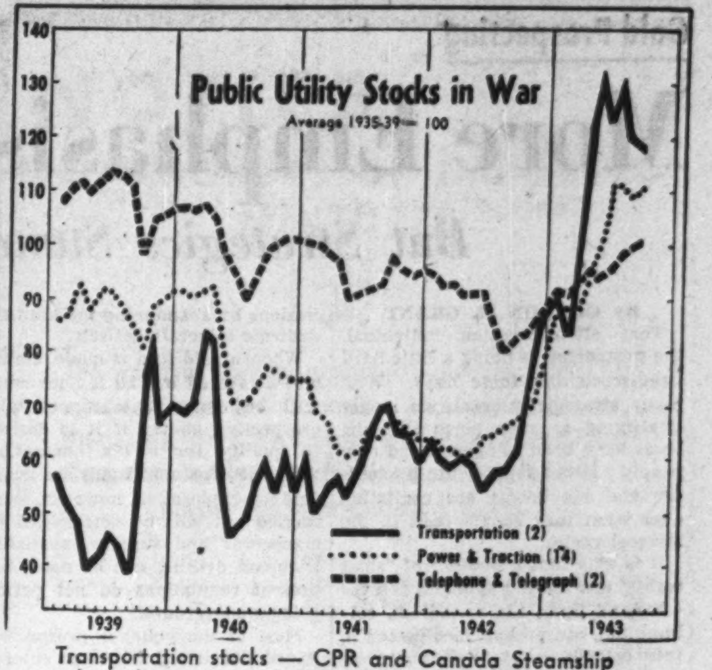
This view is supported by developments in British Columbia Manitoba and Nova Scotia, where the question of public ownership of utilities, especially power, has been a matter of public discussion.

Interest in government ownership, of course, has been spurred by taxation. It is common knowledge that privately owned companies are heavily taxed, whereas those government-owned are tax-free. The tax bill must be borne by the consumer and the point has been raised in several quarters that taxation of utilities can be side-stepped by the consumer through government ownership.

The whole outlook for utility securities has been further befogged by the action taken this month by the Public Service Board in serving notice on Montreal Light, Heat & Power Consolidated of its intention to write down the value of assets employed in electrical services by some $44 millions, supplemented by Premier Godbout's announced intention of seeking authority from the legislature to expropriate the company.

Value of Montreal Power's stock declined sharply following these announcements. Other stocks fell off in sympathy.

Considering the Quebec situation, the more pronounced trend to government ownership, restricted earnings of the individual companies, and the problems to be contended with in the postwar period, the utility stocks have given a very good account of themselves marketwise. On the whole, they have justified the faith of investors in them.



Transportation stocks — CPR and Canada Steamship —have been outstanding among public utility shares.

Utility Workers & Payrolls

	No. of Employees Aug. 1 1943	Sept. 1 1941	Aggregate Weekly Payroll ($000) Aug. 1 1943	Sept. 1 1941
Transportation:	151,223	133,369	5,373.8	4,308.7
Street rlys. and cartage	41,818	36,793	1,379	1,069.7
Steam railways	83,911	71,817	3,213.9	2,602
Shipping and stevedoring ..	25,494	24,759	780.9	637.0
Communication:	28,620	27,259	829.7	742.2
Telegraphs	7,881	7,133	230.9	201.7
Telephones	20,739	20,000	589.9	540.5
Electric Light & Power:	18,910	19,757	677.4	624.3
Construction & Maintenance:	181,991	193,364	5,380.2	4,616.8
Highways	71,174	79,889	1,815.8	1,691
Railways	41,255	44,855	1,089.2	959.1

Wages of Canadian Farm Help Are Showing Big Increases

Wages paid to hired help on Canadian farms at Aug. 15, 1943, show a further sharp increase over those paid at the same date of 1942, according to a bulletin from the Dominion Bureau of Statistics. When the employer provided the board of the hired man the average rate for help hired by the day was $3.51 in 1943 as compared with $2.50 a year previously. When no board was provided the rate in 1943 was $4.74 as compared with $3.15 a year previously.

Average Daily Wages of Male Farm Help
(as at Aug. 15)

	With Board 1941	1942	1943	Without Board 1941	1942	1943
	$	$	$	$	$	$
Prince Edward Island	1.32	1.64	1.88	1.82	2.16	2.44
Nova Scotia	1.60	2.10	2.57	2.11	2.75	3.19
New Brunswick	1.81	2.24	2.71	2.39	2.92	3.52
Quebec	1.51	2.01	3.48	2.07	2.67	4.70
Ontario	2.08	2.71	4.04	2.73	3.50	5.73
Manitoba	2.37	2.79	3.41	2.79	3.39	4.20
Saskatchewan	2.32	2.69	3.42	2.74	3.39	4.05
Alberta	2.33	2.62	3.30	2.98	3.43	4.19
British Columbia	2.17	2.95	3.28	2.86	3.64	4.18
Canada	2.06	2.50	3.51	2.54	3.15	4.74

TALC PRODUCTION

The value of crude and refined talc and soapstone sold by Canadian producers of these minerals in 1942 totalled $310,824 compared with a corresponding value of $360,809 in 1941.

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As a business man, you know this mechanized war, now approaching its climax, calls for vast sums to produce and move the materials of war, and that one sound way to do this job, and avoid inflationary dangers, is to buy Victory Bonds *to the limit*. As a business man, you know the money is needed NOW . . . not tomorrow, or the next day, but NOW.

So -- check up on your bank account; calculate future dividends; examine every nook and corner of your personal and corporate finances -- and *pledge* your earning power and your future income to buy Victory Bonds NOW, meeting payments as they come due out of your income as it accrues.

Canada needs a *lot of money* to do *her* war job thoroughly. Don't let it be said of YOU that *your* contribution to this vital task was "too little and too late."

Speed the Victory!
Buy more
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NATIONAL WAR FINANCE COMMITTEE S-63

Gold Prospecting

More Emphasis on Gold Search

But Strategics Stand to Benefit From It

By GORDON M. GRANT

That often-forgotten individual, the prospector, is doing a little hard head-scratching these days. With many strategic minerals no longer qualifying as such since shipping lanes have been re-opened and new supply sources tapped, the prospector and his bosses are cogitating over what they should seek in the mineral realm.

It is true that a number of "strategics" are wanted as much as ever—Iceland Spar, tin, vanadium, columbium, can probably be placed in this category—but finding any of these in commercial concentration represents something of a prospecting problem. These minerals by themselves hardly provide the incentive to cause any quantity of money to be spent on prospecting.

So Turn to Gold

The search for gold—never really suspended—is consequently likely to be reinforced by hunters of strategic minerals. They are expected to keep their eyes peeled more than ever for the yellow metal to help "carry" prospecting activities, making it worth their while to remain in the field. It will not be surprising if the prospector is inclined to do his prospecting in fields favorable to discovery of gold as well as of strategic minerals.

Dominion tax concessions for prospecting only cover strategic minerals, and it is not expected that prospectors will give up these concessions by abandoning the hunt for strategic minerals entirely.

When a gold find is made, claims will be staked but no further work will be done—at least not with prospecting money if it is desired to qualify for a tax exemption. When development funds are available for exploration, however, work carried out will be determined by manpower and supplies available. Diamond drilling can be done, but present regulations do not permit going underground.

Most of the younger prospectors joined the armed forces or entered war work relatively early in the war, but enough older, military-exempt "old timers" remain in the field to assure continuation of prospecting on a limited scale. They are not the type of material in which NSS is interested, they wouldn't be useful for work in base metal mines and, as prospecting is usually all they know, they will probably continue to prospect for a few "strategics"—and gold.

While exploration for gold is going on quietly, total manpower used is still small. Activity has been spread across the Dominion, from northern British Columbia and the Alaska Highway to the Mud Lake area of Quebec where it is reported McIntyre has been picking up some additional claims near its Belleterre producer.

It has been most noticeable in the Larder Lake area where perhaps a dozen companies have been prospecting or diamond drilling for gold.

Whole Townships Staked

As far as staking of claims is concerned, the Missanabie area has probably experienced the most concentrated prospecting for gold in 1942-43. Whole townships have been staked following new discoveries in this area with interesting finds reported for the Pileggi and Camex Syndicates, Bankfield Consolidated and Martin Shunsby ground. Much of the area between Missanabie and Lochalsh on the C.P.R. has been staked. It appears discoveries have been sufficiently interesting to encourage prospectors to return to this area in considerable numbers next year.

As reported recently in The Financial Post (Oct. 9/43), the Northwest Territories and the Alaska Highway have been receiving considerable attention from prospectors and are considered fine potential postwar prospecting ground. Many of the big name companies of eastern Canada have been active this year and are expected to continue work there next year—with greater emphasis on gold.

In Manitoba the Snow Lake area has been turning in the best wartime results from the gold mining angle, it appears. Howe Sound has indicated by diamond drilling a substantial deposit of commercial grade gold ore on its Nor-Acme property known as the Chris Paris. Northern Canada Mines and Pioneer Gold Mines have indicated a gold ore body in the same area by surface exploration and diamond drilling is now underway to establish vertical continuity. Macassa Mines and others are testing properties in the same area.

Outlying camps such as Little Long Lac and Red Lake have not been experiencing much in the way of prospecting lately, but may shortly come into favor again, it is indicated.

Report Aids Prospector

A favorable geological report of Dr. J. E. Thompson supports the theory of a 100-mile break extending from Cadillac-Malartic in the east, westerly through Rouyn and over into Larder Lake and on farther west from there. Considerable new activity has been inspired by this report, particularly in Larder Lake and Malartic where new mines of note have been emerging.

Much of the ground along this 100-mile stretch has heavy overburden and some of it has a couple of thousand feet of sedimentary rocks overlying the favorable formation but it is likely that the rock exposures will be combed over once again as one of the best hunting grounds for new gold mines.

Mines "Laid Away"

It is quite possible that many more gold prospects have been found by major gold mining companies during the war than is generally known. One of the larger Canadian mining exploration companies reports privately that it has several gold properties to be opened up as soon as conditions permit.

In the recently issued annual report of Anglo-Huronian, it is stated that "numerous additional prospects" are available for exploration, when work can be undertaken. With gold properties revalued on a higher plane by the stock market, it is possible that money for prospecting may be easier to find than before the strategic minerals situation began to ease up.

Gold, for years the favorite metal of Canadian prospectors, may be coming into its own again. With few strategic minerals left to hunt for with an easing metals' supply situation, prospectors will likely add gold to the list of ores sought in order to make continued prospecting worth while. A watch has always been kept for gold discoveries while hunting strategics, but much greater stress on gold is expected from now on. Many Canadian gold areas have already been quietly investigated recently in the search for new deposits. Clues are not lacking as to where attention will likely be centred when the next prospecting season opens.

Ottawa Car's Gun Work Ends

From Our Own Correspondent

MONTREAL.—Ottawa Car & Aircraft Ltd. will cease production of the .5 Vickers machine gun on Oct. 31, according to an announcement by the Department of Munitions & Supply.

The contract with the company was terminated because the British Admiralty requested that production of these guns be discontinued. For naval use, the .5 Vickers gun which the company has been producing has been superseded by more effective ordnance having a greater range and velocity. Adequate supplies of the .5 Vickers gun are now on hand and further production is no longer required.

Termination of the Vickers gun production at Ottawa Car affects about 1,800 workers. Other division of the company which are working on component parts for aircraft and other war equipment are not affected.

Mining INVESTMENTS

Dominion gold output reversed its downward trend in August, chalking up a slight gain with production of 293,358 oz. compared with 292,561 oz. in the preceding month. Production, however, was far below the 402,876 oz. of gold turned out in August, 1942 and the 467,224 oz. of August, 1941.

Despite the encouraging D.B.S. figure for August production this year, it would hardly seem likely that gold output will not shortly resume its downward trend. The labor shortage has become too severe and too many mines have used up reserves of developed ore to make it appear possible current production rates can be maintained. Some slight easing of the labor situation has been noted recently, however, and appointment of Major J. M. Aiken by National Selective Service as a special advisor on gold mining labor problems may signal some further improvement — although hardly enough to turn gold production upward.

* * *

Barite production at the Nova Scotia property of Canadian Industrial Minerals, a subsidiary of Springer Sturgeon Gold Mines, is now proceeding at capacity of around 150 tons a day, President Karl Springer informs The Financial Post. Daily production runs from 120 to 180 tons a day with treatment averaging out at about 150 tons a day.

With the shipping situation straightened out, no difficulty is experienced in shipping to the oil well drilling market in Trinidad. While a market appears to exist for all the barite the company can turn out, there appears to be no immediate disposition to expand mill capacity although it is pointed out that the mill was originally constructed to facilitate doubling of capacity should this be desired.

After the war officials anticipate a good market for barite in England for the manufacture of lithopone. England previously secured her barite from Germany but it is believed that Canada can produce the mineral more cheaply than it can be turned out in Germany and that Canada will probably enjoy a good share of this market.

* * *

It cannot be too strongly stressed that managements are but trustees for shareholders, and that, as trustees, they should endeavour to keep their shareholders conversant with the operating results of their business. Many mining companies now follow the policy of issuing statements on quarterly production and profits, and they are to be commended for doing so.

But production and earnings are not the only factors of importance in the mining business. A detailed report on development results is perhaps as important, if not more important at times. Much is to be said for providing maps of workings, on occasion, to illustrate just where new ore is being found and its significance.

* * *

The Canadian public is hardly likely to agree with Thomas J. Keller, writing in the Wall Street Journal of Oct. 20, that Canadian gold mines are "running 'wide open' as far as governmental restrictions are concerned, though they are having manpower and other difficulties."

While Canadian mines haven't been forced to curtail production by any definite percentage as result of government regulations, it is undoubtedly a fact that it is government regulations which have resulted in the drastic reduction. These at times have closed the manpower market to the gold mines, caused a big shift of gold miners from Porcupine and Kirkland Lake to Sudbury. All these and many more regulations have had their effect. Canada has lost perhaps half her gold producers now, and government regulations have been the greatest single cause.

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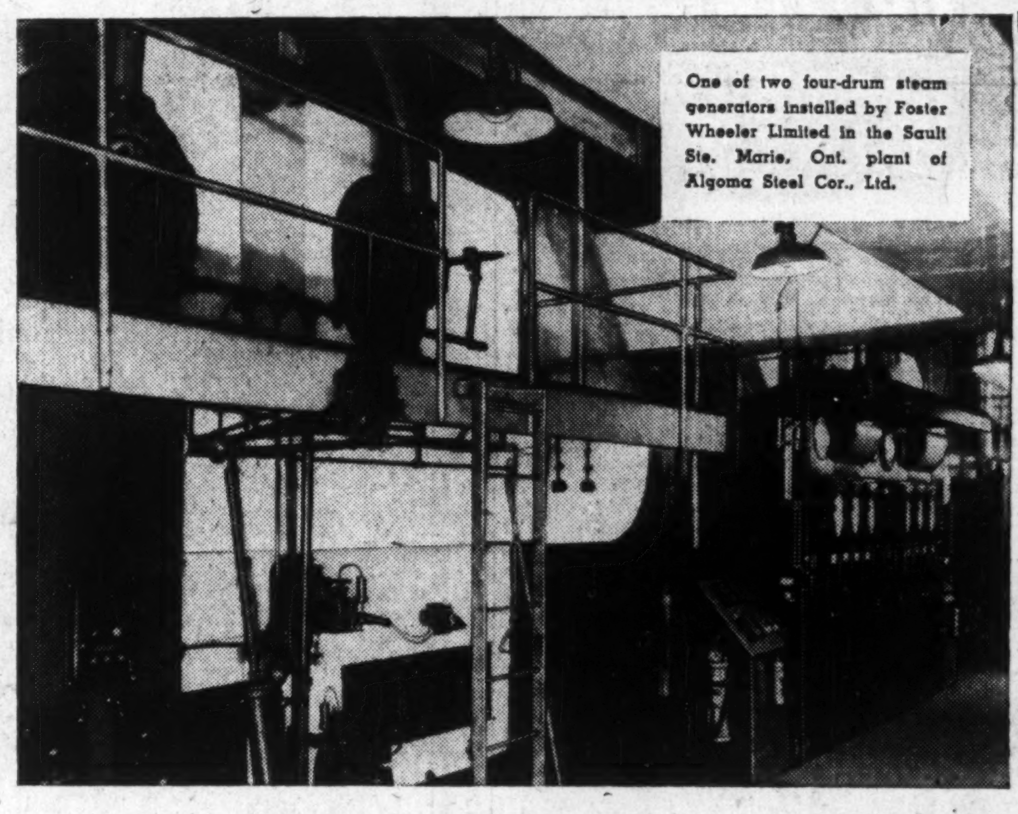

One of two four-drum steam generators installed by Foster Wheeler Limited in the Sault Ste. Marie, Ont. plant of Algoma Steel Cor., Ltd.

ALGOMA STEEL SOLVES STEAM GENERATING PROBLEM

Existing boiler capacity had already been exceeded by the heavy demands of war production when the construction of a new billet and blooming mill brought the situation to the acute stage calling for a complete survey.

The excessive cost involved eliminated the possibility of increasing the steam capacity of existing units — 22 in number, in four separate boiler plants, with an overall boiler efficiency of 55%.

A new boiler plant was installed consisting of two four-drum steam generators, complete with economizers and air heaters, designed to operate at 410 lbs. working pressure on blast furnace gas at an anticipated efficiency of 82% or on pulverized coal at an efficiency of 85%.

Steam capacities of each unit are now 100,000 lbs. of steam per hour when burning blast furnace gas and 135,000 lbs. per hour when firing pulverized coal. Change over from gas to coal is accomplished in 10 seconds.

The installation of these units has improved steel mill operation and reduced steam costs. To meet further expansion an additional unit of similar design is now being installed.

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Mining

MacLeod Feels Labor Shortage

Milling Rate Lowered When Ore Can't Be Mined

Until a short time ago MacLeod-Cockshutt Gold Mines had been perhaps more successful than the average Canadian gold mine in maintaining production and earnings. More recently, however, production rate has been reduced substantially and lower earnings are in prospect until a more adequate labor force is available.

Up to June 30, 1943, production and earnings had shown no marked change. Output for nine months ended June 30, 1943, totalled $1,866,394 compared with $2,537,218 for year ended Sept. 30, 1942, while earnings for the nine months were equal to an estimated 11c. a share compared with 14c. a share for the fiscal year ended Sept. 30, 1942.

Lower Now—Higher Later?

The critical manpower situation began to hurt production more seriously in the September quarter. Only 39,000 tons of ore were milled in the three months ended Sept. 30, 1943, as against an average of roughly 56,000 tons a quarter for the previous three quarters of the company's fiscal year. After the war, when adequate supplies of manpower are available, expansion of production to rated capacity of 90,000 tons quarterly is in prospect.

Due to the labor shortage, it has been necessary to reduce the mine's development to a minimum. Consequently no new ore discoveries of major importance have been reported lately nor do any appear likely unless they should result from carrying out routine mining operations.

The North ore systems, which are the main ore sources of the mine, have shown marked continuity of grade and tonnage in preparation of stopes from the 2nd level at 350 ft. to the 7th level at 1,100 ft. depth. At the latter level, North ore systems show 1,825 tons of ore to the vertical foot averaging .235 oz. gold per ton.

The main stope at the 1,100-ft. level shows a length of 330 ft. with widths running up to 100 ft. Structures branch off to the east, and to the south and west new branch structures have been opened up. The No. 708 ore body is being prepared for mining over a length of 300 ft. and width of 15 ft. Grade runs mine average.

No Depth Work, West Zone

The West ore body from the 2nd level to below the 4th or 650-ft. level are estimated to contain 439,000 tons of ore grading .248 oz. gold per ton or upward of 1,700 tons to the vertical foot. The ore structure bottoms below the 650-ft. level and no exploratory development has been proceeded with as yet below the fourth level for recurrence of ore structures of the West type.

Altogether there would seem to be four main places to be regarded as potential for finding further ore bodies:

1. At depth and west along the main synclinal structure in which the main North ore bodies are found.

2. West along the north limb of the synclinal structure for possible recurrence of the West type of ore body.

3. North of the present workings. Drilling from the 5th and 6th levels has returned ore intersections indicative of narrow, high-grade ore structure, it is pointed out.

4. Southward in the intrusive porphyries adjacent to the contact zone with the sediments. Recent high-grade disclosures in this formation on the adjoining Hard Rock mine give new importance to the extension west on MacLeod Cockshutt.

A steel head frame has been purchased from Cline Lake Gold Mines and a heavy duty hoist with a capacity of 2,000 ft. depth is being installed at No. 1 shaft. The deepening of No. 1 shaft to establish four new lower levels at 1,250, 1,400, 1,550 and 1,700 ft. will enable the management to proceed with depth development of the North ore bodies and for exploration of the West ore zone at depth.

Macassa Earnings Holding Firm

Quarterly report of Macassa Mines shows earnings in the third quarter of 1943 to be nearly the same as average quarterly earnings for the year to date. This was so in spite of less than average millings and ore recovery, and was due principally to lowered tax reserves. Comparison of results for the third quarter and for the first nine months of 1943 are shown below, with comparable figures for the first nine months of 1942.

September production is given as $104,275, gross value from 9,182 tons milled yielding $11.35 a ton.

Estimated Earnings

Less: Devel.,

	Third Quarter 1943	Nine Months 1943	Nine Months 1942
	$000		
Gross production	341.6	1,245.1	1,544.1
Less: Devel., oper., etc. ...	178.2	564.0	605.7
Tax reserve	31.6	183.2	251.5
Operating profit.	131.8	497.9	686.9
Less: Deprec. ...	21.0	63.0	67.4
Net oper. profit*	110.8	434.9	619.5
Add: Sundry inc.	5.1	10.6	11.5
Total earnings*.	115.9	445.5	631.0
Earned per share	$0.043	$0.166	$0.236
Tons milled	26,501	80,716	90,188
Aver. recov. per ton	$12.89	$15.43	$17.12

*Estimated.

New Levels On Hard Rock Ore

Following the opening up of high-grade ore recently on its 5th, or 625-ft. level, for a length of 110 ft., Hard Rock Gold Mines plans lateral development on the two levels immediately below with encouraging drilling intersections reported secured at the 7th level.

Location of the 5th level ore body, with the west face 1,300 ft. east of the west boundary, assures good protection to depth on the flat westerly plunge of the geological structure in the area.

Heavy gold deposition has been opened up over the full length of 110 ft. at the 5th level, gold occurring over widths up to one in over short lengths. Sampling has returned erratic values ranging as high as seven oz. per ton. The walls have not been slashed as yet to determine full ore widths but indications point to an overall ore width of 14 to 16 ft.

Drifting is being continued to the east where the face is still open and walls of the drifts are to be slashed out to the limits of the ore.

Apparently the new ore represents the downward extension on the flat rake to the west of the No. 403 ore body on the fourth level at 500 ft. which has been prepared for mining for a length of 120 ft. running $9 per ton across an average width of 18 ft.

Exploratory drifting to the east on the 10th or 1,375-ft. level has now been carried a distance of 1,700 ft. from the shaft area. Flat drilling has returned some ore in this section, it is understood, and closer interval and angular drilling is projected.

The Week in Oils

From Our Own Correspondent

CALGARY. — Eight new well locations were announced last week, as the search for oil in Alberta continued to expand. Two of the new sites are in the north Turner Valley oil field, two at Vermilion, one in the southern foothills, and three are wildcats in the southeastern Alberta plains.

The oil search in the southeastern corner of Alberta continued to expand this week. Imperial Oil added to its already extensive holdings in this section of the province by addition of a 19,939-acre crown reservation at Erickson Coulle, and made location for initial drill-test there, plus location for a new wildcat northeast of Taber.

The Erickson Coulle block adjoins the Alberta-Montana border in twp. 1R. 12w4, and extends into twp. 1R 13w4. The initial drill-test, to be known as Imperial-Erickson Coulle No. 1, is in the southeast 10 acres of L.S.D. 6 7-12w4. Surface elevation (ground) is 3,854 ft. above sea level. Madison lime estimate is 2,700 ft. The well is to be drilled immediately using the light rotary last used at Imperial-Nordegg No. 1.

Second new wildcat is Imperial-Grassy Lake No. 1, to be drilled in L.S.D. 13 35-10-13w4. Tentative estimate of the ground elevation is 2,600 ft. above sea level. The well will be comparable in depth to the Taber wells (Madison lime estimate 3,100 ft.). The well is to be drilled immediately, using the light rotary now at Imperial-Clancy 2 (now close to completion). The new site is 20 miles east and 9 miles north of the Taber oil wells and 6 miles west of the Bow Island gas field.

Start Pincher Test

Arrow-Marjon Oils, organized by the F. P. Byrne interests, has staked location for Arrow-Marjon No. 1 in L.S.D. 10 12-6-2w5, three quarters of a mile west and north of the Weymarn No. 2 in the Pincher Creek area. Cellar and foundations are now under way and the cable tool rig from the Sullivan Creek No. 1 is to be moved in in the very near future. Initial plans call for drilling to the Dalhousie sand, expected around 4,600 ft.

Dominion Oil Co. announced location on Friday for its next Taber field extension test.

The well, Taber-Province No. 17-18B, is to be drilled in the centre of the southeast 10 acres of L.S.D. 16 18-9-16w4. The location is a quarter of a mile east of the Taber-Province No. 37-18B producer, and is about 1,000 ft. north and east of the Taber-Province No. 1 producer. It is to be drilled immediately, by contractor Can-Tex Drilling Co., using the light rotary last used at Taber CPR No. 74-17B.

In the Vermilion Field, Cannar Oils Ltd. has staked locations for two more wells. Cannar No. 22 is to be put down in the northeast 10 acres of L.S.D. 15 30-50-5w4, while Cannar No. 23 will be in the northeast 10 acres of L.S.D. 10 30-50-5w4. Ground elevation at No. 22 is 2,071.7 ft. above sea level, and is 2,069.9 ft. at No. 23.

* * *

Two New Turner Wells

Imperial-Hudson Bay No. 17 is to be drilled close to the centre of L.S.D. 12 8-21-3w5. This site is quarter of a mile south of Imperial-H.B. 14 (now on production test), and is the same distance north of Imperial-H.B. 16 now drilling.

Providing the first addition to the Turner Valley location list in several weeks, Imperial Oil and Home Oil Co. each staked a location this week in the north extension of the field.

Home Millarville No. 17 is to be drilled immediately in the centre of L.S.D. 1 18-21-3w5 by Drilling Contractors. Derrick has been erected, and rotary equipment is being moved in. The site is quarter of a mile west of Atlas-British Dominion 2, the same distance south of Maryland 1 and north of Northclonmel 1, all of which are producing.

* * *

Vermilion Completions

In the Vermilion field, Vermilata Oils No. 5 was spudded in by contractor General Petroleums Ltd. on Oct. 16, and reached completion Oct. 20, at 1,803 ft., after entering one foot in the Vermilion oil sand. Production string of casing has been set. The Cannar Oils No. 20 well also completed drilling this week at 1,806.5 ft., after topping the Vermilion sand at 1,802 ft., and has now set production string of casing. Third completion at Vermilion recently was Cannar Oils No. 21, which carried drilling through to 2,010 ft., after missing the oil sand in the coring, and has now set production string of casing after electro-log showed the Vermilion sand at 1,824 ft.

* * *

In the Viking-Kinsella Area, Imperial-Viking No. 1 has been completed and abandoned at 2,835 ft. The Madison lime was topped at 2,833 ft. The well showed a gas volume in the Viking sand above the lime. The light rotary is now being installed at Imperial-Viking No. 2, the next test for this area.

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Piccadilly
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SMOKING MIXTURE
Try it to-day

Bralorne Mine Output Lower

A decline in tonnage of ore milled and gold produced at Bralorne Mines in the three months ended Sept. 30, 1943, is attributed directly to the shortage of labor available

Output for the quarter was 17,290 oz. gold, secured from milling 27,692 tons of ore. This brought output for the nine months to Sept. 30, 1943, to 57,321 oz. gold from 92,403 tons of ore milled.

The quarterly report states:

"Development work during the quarter was confined to the 17th and 20th levels, and the ore developed exceeded that extracted both as to tonnage and grade. As was the case in the previous quarter, broken ore reserves were not depleted, the tonnage broken equalling that milled.

"At the strategic mineral property known as Bralone Takla mercury mine and which, as previously reported, the company expects to have in production before the year-end, recent underground development has been very encouraging.

"There are no new developments of importance to report at this time from the activities of the Bralorne exploration department or those of your Nevada subsidiary, Summit King Mines Limited."

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Province	Total *Population	Urban Families	Rural Families	Total Families	Combined Circulation
Nova Scotia........	577,962	58,016	66,004	124,020	53,560
Prince Edward Island	95,047	5,049	14,541	19,590	6,934
New Brunswick.....	457,401	31,378	62,101	93,479	32,135
Quebec............	3,331,882	435,127	212,727	647,854	316,179
Ontario...........	3,787,655	569,742	332,549	902,291	518,900
Manitoba..........	729,744	79,611	85,638	165,249	88,950
Saskatchewan......	895,992	67,894	122,243	190,137	92,186
Alberta...........	796,169	74,281	101,463	175,744	118,255
British Columbia....	817,861	112,036	86,326	198,362	137,060
Miscellaneous.......	—	—	—	—	53,729
TOTAL..........	11,489,713	1,433,134	1,083,592	2,516,726	1,417,888

*Yukon and Northwest Territories not included pending D.B.S. figures

*MAGAZINES REACH FROM COAST TO COAST

Canadian magazines are distributed from Coast to Coast; they reach, and are read in, every community in Canada.

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It is estimated that fewer than 8% of the homes in Canada get more than one Canadian magazine, but, even if you take 10% off the above figures for duplication—(and after all, presenting your advertising more than once *is* desirable)—the figures show 1,276,100 magazines reaching 2,516,726 families—more than 1 copy to every 2 homes.

CITY	Families*	Combined Circulation	CITY	Families*	Combined Circulation
Halifax......	16,783	17,657	Hamilton.....	41,931	32,469
Sydney.......	6,739	3,331	Ottawa.......	51,196	32,765
Charlottetown	3,577	2,328	Windsor......	28,836	20,988
Saint John....	12,320	8,947	Winnipeg.....	69,176	52,251
Moncton......	5,420	3,733	Regina.......	13,915	13,184
Montreal.....	271,410	155,691	Saskatoon....	10,244	11,310
Quebec......	47,831	24,443	Calgary......	21,168	25,749
Three Rivers..	10,001	4,960	Edmonton.....	22,290	22,968
Sherbrooke...	8,563	5,364	Vancouver....	83,690	59,016
Toronto......	210,677	150,484	Victoria......	10,492	15,996

*Families estimated pending inal D.B.S. figures.

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MAYFAIR . . . NATIONAL HOME MONTHLY . . . NEW WORLD (*Illustrated*)

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A kangaroo's life is pretty soft.

At an early age he gets a free ride everywhere. When he grows up, he uses his long legs and small brain to take him hoppity-hop, hoppity-hop, anywhere he wants to go.

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No true Canadian wants to be a kangaroo. In the first place, he isn't interested in getting a free ride at the expense of others. In the second, he knows that the war isn't going to be won by hoppity-hop. Thirdly, the average Canadian is going somewhere.

True Canadians are sharing in the cost of this war by buying Victory Bonds. They're helping themselves buy more Victory Bonds by cutting down hoppity-hop buying of needless luxuries. They're holding onto the Victory Bonds they do buy against that bright new world of tomorrow towards which we are all headed.

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